

THIS AGREEMENT MADE AS OF THE 1st day of July, 1996,

BETWEEN:

LOBLAWS SUPERMARKETS LIMITED,
hereinafter called the "Company",

AND:

UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION,
LOCAL 1000A,
hereinafter called the "Union".

WITNESSETH and it is hereby agreed as follows: -

ARTICLE 1 - RECOGNITION

1.01 (a) The Company recognizes the Union as the exclusive bargaining agent for all persons it employs in any of its Loblaws Supermarkets Limited and SuperCentre stores in Ontario excluding the City of Sudbury and the Townships of McKim, Nepean and Gloucester below the rank of Store Manager, Photo Lab Technician, Pharmacist and Assistant Store Manager.

(b) The Company also recognizes the Union as the exclusive bargaining agent for all persons it employs in any of its Loblaws Supermarkets Limited Free-standing Ziggy stores in Ontario, (excluding the Townships of Nepean and Gloucester) below the rank of Store Manager, Photo Lab Technician, Pharmacist and Assistant Store Manager.

(c) The Company also recognizes the Union as the exclusive bargaining agent for all persons it employs in any of its Loblaws Supermarkets Limited No Frills stores in Ontario (excluding the Cities, Townships and store locations listed in Article 1.01 (a) above) below the rank of Store Manager, Photo Lab Technician, Pharmacist and Assistant Store Manager. All matters relative to Loblaws Supermarkets Limited No Frills employees shall be governed by Appendices "F" and "G" of this Agreement.

1.02 A "Full-time employee" covered by this Agreement shall be an employee who is normally scheduled to work more than twenty-four (24) hours per week and shall include employees who are on short-time because of a reduction in their work week.

1.03 A "Part-time employee" is one who is normally scheduled to work twenty-four (24) hours or less per week. No part-time employee shall work in excess of twenty-four (24) hours in any week, except as permitted by paragraph 1.10 of Appendices "A" and "G" of this Agreement. The conditions of work of part-time employees shall be governed by Appendices "A" and "G" of this Agreement.

1.04 (a) The Company agrees that employees who are not members of the bargaining unit, other than Store Managers in stores under \$90,000.00 volume per week, No Frills Managers and Regional Cashier Specialists, will not perform bargaining unit

work except during the three (3) weeks prior to and the one (1) week subsequent to (Bakery, Produce, Meat and Service Department Specialists, two (2) weeks prior to and the four (4) weeks subsequent to) the re-opening week of a refurbished store and the opening week of a new store, unless prior arrangements have been made between the Company and the Union Office, a Union Field Representative or a Divisional Union Officer.

For the purposes of this paragraph, the quarterly volume review as outlined in Article 9.07 (2) will apply.

Such employees of the Company shall restrict activities considered to be bargaining unit work as outlined above, except for the purpose of instruction, the checking of codes, the checking for rotation and the checking of culling of product. In addition, Store Managers in stores over \$90,000.00 volume per week may perform incidental front- end activities, (e.g., customer service, courtesy desk, parcel, approval of cheques, bottle returns, etc.).

(b) It is understood that Store Managers in stores under \$90,000.00 volume per week and Regional Cashier Specialists shall restrict activities which are considered to be bargaining unit work, to one-half (1/2) hour prior to store opening, during store opening hours and one-half (1/2) hour after store closing hours only.

No Frills Managers shall restrict activities which are considered to be bargaining unit work, to one (1) hour prior to store opening, during store opening hours and one-half (1/2) hour after store closing hours only.

(c) It is recognized that while other persons who are not members of the bargaining unit from time to time perform work in the Company's stores, the Company agrees that there will be no extension in this work performance beyond current practices. The Store Manager at 12 St. Clair and Assistant Store Managers in all Loblaws and SuperCentre stores have the ability to work within the store.

(d) The Company agrees that for any violation of this Article it will pay a penalty of one hundred dollars (\$100.00).

ARTICLE 2 - SENIORITY

2.01 Employees shall acquire seniority rights based on the length of service while in the bargaining unit.

2.02 Regular employees shall not acquire seniority rights during a probationary period of thirty (30) worked days of accumulated service in a period of six (6) months unless a longer period is mutually agreed upon by the Union and the Company and such agreement will not be unreasonably withheld. This shall be called the probationary period and shall apply to newly hired employees. However, if an employee is continued in employment after such period, seniority shall commence from the commencement of such continuous employment.

2.03 New full-time employees shall be documented and the documents forwarded to Head Office within two (2) weeks of hiring.

2.04 (a) In lay-offs, recall after lay-off and demotions, seniority shall be the governing factor, provided the senior employee has sufficient ability and qualifications to perform the work.

(b) Employees shall acquire and exercise seniority on a departmental basis (Grocery-Produce; Meat; Full-scale Bakery; Service; Pharmacy) and job classifications within the Seniority Divisions as set out in Appendix "B" of this Agreement. In matters of lay-offs, recalls after lay-offs and demotions, seniority will be exercised on the basis of departmental seniority and job classifications as above. Where an obvious imbalance in staff exists, the Union and the Company agree to discuss the problem.

In matters of lay-offs and demotions involving Free-standing Ziggy store employees, seniority will be exercised on the basis of seniority within the Toronto Seniority Division, that being Metropolitan Toronto.

Where Meat - Ziggy or Bakery - Ziggy Departments are merged within a store and operated by the Meat or Bakery Department, then Service Department employees shall transfer their seniority to the Meat or Bakery Department, provided the transfer of seniority will not result in any displacement or lay-offs as a result thereof.

This provision applies to new stores, totally refurbished and converted stores.

In the event an imbalance (shortage or overage) of staff should exist in a given Department, the Company and Union may mutually agree to permanently transfer an affected employee to an alternate Department and transfer their seniority.

(c) No employee shall perform work outside of his own seniority department except with respect to receiving and the storage of newly received product, and to relieve for meal and rest periods and personal breaks for the purpose of customer service only when no one is in the other department.

(d) (i) In the event of an inter-urban transfer of an employee, the most junior employee who is qualified and capable of performing the required work, shall be required to transfer to a maximum of twenty (20) miles (store to store).

(ii) the company agrees to keep records of those employees who were required to transfer so that in the event vacancies arise in a location closer to home, the Company will endeavor to place these employees into these vacancies, on an individual basis as opportunities arise.

(iii) The Company must notify the Union Office at least 72 hours in advance of any employee transfers.

2.05 (a) In the case of lay-off, all probationary employees shall be laid off first, within their department.

(b) Should a further reduction in the work force be necessary, after probationary employees have been laid off, the regular employees shall be laid off within their departments. The demotion of persons in posted positions shall occur in accordance with the mechanics described in paragraph 2.05 (c) hereof. "Posted Job" shall mean those jobs set out in paragraph 10.06 of this Agreement. For non- posted jobs, lay-offs shall be on the basis of seniority within the seniority division, provided the senior employee has sufficient ability and qualifications to perform the available work.

(c) Staff Displacements due to Store Closings

(1) The following procedure will apply for anyone affected by a displacement: -

Note: For clarity reference to "the most recently named employee" refers to one position, that being the junior most position in the classification, unless otherwise noted.

(2) (a) If a displacement is necessary as a result of a store closing, the employee affected shall have the right to displace the most recently named employee in his classification, in his municipality, or should he so elect, his seniority division, provided he has greater seniority in such classification.

(b) Notwithstanding (2)(a), if the affected employee is in a named position at Supercentre as Floral Manager, Customer Service Manager or Non-Food Department Manager, then one of the following may apply:

(i) If the employee held a posted position in Loblaws in the classification, they would have the right to displace the most recently named employee in their classification, in their municipality, or should they so elect, in their seniority division, provided they have greater seniority in such classification.

(ii) If the employee never held a posted position in Loblaws in the classification, they would have the right to displace the most recently named employee in Supercentre only in their classification, in their municipality or should they so elect, their seniority division, provided they have greater seniority in such classification.

(3) (a) In the event there is no one junior to them in their classification, or they elect not to displace someone junior to them in their classification, they shall have the right to displace the most recently named employee in the next lower rated classification, that they have sufficient ability and qualifications to perform, in their municipality or, should they so elect, their seniority division.

It is understood that employees in such posted positions under this procedure shall be bumped only once during a specific close-out.

(b) Notwithstanding (3)a) if the affected employee is in a named position, one of the following may apply:

(i) If the employee was named from a non posted position or hired from outside the bargaining unit, they would have the right to displace the most recently named employee in a non posted position only if they possess greater seniority and have the ability and qualifications to perform the available work.

(ii) If the employee previously held a posted position within Loblaws or Supercentre, they will have the right to displace the most recently appointed employee in their former classification, in their municipality, or should they so elect, their seniority division.

It is also understood that an employee shall not have the right to displace the most recently appointed employee who is in the classification in question, on the same closing, as a result of being displaced under this procedure.

(4) In the event that an employee accepts a lower rated position, their seniority in that lower rated position shall include not only the length of service spent in that position, but also the length of service that they accumulated in the higher rated position which they formerly occupied.

(5) It is understood that when a displacement occurs as a result of a store closing, the employee affected shall exercise their seniority rights as set out in this paragraph (c) in accordance with the following sequence of job classifications:

Grocery-Produce Department

- (1) Grocery Manager
- (2) Produce Manager
- (3) Customer Service Manager
- (4) Bookkeeper
- (5) Backup Bookkeeper
- (6) Receiver (Days)
- (7) Receiver (Nights)
- (8) Grocery-Produce Clerk
- (9) Cashier, Service Clerk
- (10) Porter

Meat Department

- (1) Meat Manager
- (2) Assistant Meat Manager
- (3) Meat Cutter
- (4) Meat Clerk

Pharmacy Department

- (1) Pharmacist-Assistant

Bakery Department

- (1) Bakery Manager
- (2) Assistant Bakery Manager
- (3) Lead Hand Baker (Nights)
- (4) Baker-Decorator
- (5) Baker
- (6) Decorator
- (7) Wrapper
- (8) Service Clerk

Service Department

- (1) Service Dept. Mgr.
- (2) Meat Cutter
- (3) Production Clerk
- (4) Service Clerk

For greater clarity, it is understood that persons classified in non-posted positions shall not displace persons in lower rated classifications unless they possess greater seniority and have sufficient ability and qualifications to perform the available work.

It is understood that employees in such non-posted positions under this procedure could be bumped more than once during a specific close-out.

(6) Employees demoted as a result of store closings will have their former rate maintained for a period of eight (8) weeks.

In the event a Night Crew is discontinued or a Porter or a Receiver (Nights) position is eliminated, employees will have their premium maintained for an eight (8) week period.

(7) Night Shift employees displaced as a result of the discontinuance of the Night Shift will displace the most recently appointed employees within the classification within the municipality, provided they have sufficient ability and qualifications to perform the available work.

Porters may also displace the most junior Grocery-Produce Clerk, provided he/she has greater seniority and possesses sufficient ability and qualifications to perform the work.

(8) The Company has agreed to keep a record of employees, who have been required to move to other municipalities due to store closures and deal with on an individual basis, as to opportunities to return to their original or closer municipalities as vacancies arise.

(9) Welfare benefit coverage will continue for laid-off full-time employees for a period of twelve (12) months following date of lay-off, provided the employee does not receive severance pay or becomes employed elsewhere.

(d) The most junior employee or employees displaced in any seniority division may be given the opportunity, if agreeable to both parties and if vacancies exist, to transfer to another seniority division and shall carry his seniority to his new seniority division.

(e) Recalls and re-instatements to higher classifications shall be affected in the reverse order to which employees were laid off or reduced in job classifications, provided however, that recalled employees have sufficient ability and qualifications to perform the work required. Where there are employees still to be recalled or reinstated to higher classifications in their seniority division, in accordance with this Article, the Company shall not be required to post vacancies under Article 10 of this Agreement. Any vacancies in these circumstances shall be filled by employees awaiting recall or re-instatement to higher classifications.

(f) An employee who is demoted from a posted position subsequent to August 27th, 1972 as a result of a store closing, shall be eligible for a period of eighteen (18) months from the date of his demotion for recall to that classification

from which he was demoted. Recall rights for any such persons who were demoted prior to the date referred to herein, shall not be limited.

(g) Full-time employees who are laid off or who voluntarily terminate from the full-time payroll shall, if they so desire, be placed on the part-time call-in list based on the length of their accumulated full-time and, if applicable, part-time uninterrupted service with the Company and shall be given preference for available part-time work insofar as that length of service entitles them. Such employees shall be eligible for vacation entitlement based on that length of service. Such employees shall receive the lesser of their full-time hourly rate at the time of their lay-off or resignation or the end rate in the part-time wage progression. Paragraph 2.10 (i) of this Agreement shall apply to such employees who were laid off from the full-time payroll and who accepted part-time employment.

(h) In the event of a lay-off, employees shall receive notice of lay-off or pay in lieu of notice as set out in the current EMPLOYMENT STANDARDS ACT, as follows: -

(i) Full-time employees with up to two (2) years of service will receive one (1) week's notice or one (1) week's pay in lieu thereof;

(ii) Full-time employees with more than two (2) but less than five (5) years of service will receive two (2) weeks' notice or two (2) weeks' pay in lieu thereof;

(iii) Full-time employees with more than five (5) but less than ten (10) years of service will receive four (4) weeks' notice or four (4) weeks' pay in lieu thereof;

(iv) Full-time employees with more than ten (10) but less than twenty (20) years of service will receive eight (8) weeks' notice or eight (8) weeks' pay in lieu thereof;

(v) Full-time employees with more than twenty (20) years of service will receive ten (10) weeks' notice or ten (10) weeks' pay in lieu thereof;

(vi) Sub-paragraphs (i) and (v) herein shall be implemented in lieu of the provisions contained in the current EMPLOYMENT STANDARDS ACT, for employees who have less than three (3) months or more than twenty (20) years' full-time continuous employment with the Company, respectively.

(vii) Regular full-time employees with three (3) or more years of continuous service, if terminated for reasons other than cause, will be provided with a severance allowance of one (1) week's pay for each year of service to a maximum of Five Thousand Dollars (\$5,000.00). Such payment in addition to the above provisions.

2.06 An employee who notified the Company of his intention to terminate his employment shall be permitted to work for one (1) week subsequent to such notice, provided his work continues to be satisfactory, or the Company may choose to pay the employee one (1) week's pay subsequent to the notice and terminate his employment.

2.07 Promotions shall be affected in accordance with Article 10 of this Agreement. A probationary period of thirty (30) worked days shall apply to promotions unless a longer period is mutually agreed upon by the Union and the Company and such agreement will not be unreasonably withheld.

2.08 (a) No employee shall be temporarily or permanently transferred or temporarily assigned to perform work, from one seniority division to another without the consent of the Union, which consent shall not be unreasonably withheld. Where the Union agrees to a permanent transfer, the employee shall be entitled to transfer his seniority to his new division.

(b) No employee shall be required to accept a transfer beyond his bargaining unit set out herein, without his consent.

(c) Consideration shall be given to a person's seniority when temporarily transferring employees.

(d) No Union steward shall be transferred because of his activity on behalf of the Union.

2.09 (a) Seniority as defined in paragraph 2.01 shall mean continuous accumulated service within the bargaining unit with Loblaws Supermarkets Limited and/or C.M.I. and/or Giant Discount Limited and/or No Frills and/or Tip Top Meat Market Limited and/or Loblaws Supermarkets Limited Free- standing Ziggy Stores. Should an employee be transferred to another Company which is considered to be an associated subsidiary Corporation, his seniority shall be maintained for a period of up to ninety (90) days, after which time his seniority shall be terminated.

(b) Seniority for former Super City employees shall mean continuous accumulated service within the bargaining unit with Super City Discount Foods Limited and subsequently within the bargaining unit with Loblaws Supermarkets Limited.

2.10 The seniority rights of an employee shall be terminated and the employee shall be terminated from the Company if the employee:-

(a) voluntarily leaves the employ of the Company;

(b) is discharged for cause;

(c) is absent from work for more than three (3) working days without reasonable cause and without having obtained a prior leave of absence;

(d) is absent from work for more than three (3) working days because of sickness or disability without having notified the Company, unless his failure to notify the Company is for reasonable cause;

(e) is absent from work because of sickness or disability for more than three (3) working days and fails, without reasonable cause upon his return to work, to produce a certificate from a duly qualified medical practitioner verifying such absence from work due to sickness or disability, when so requested by the Company. Such certificate showing satisfactory cause of absence shall be recognized as sufficient reason for the absence;

(f) fails to return to work after a lay-off within seven (7) days after notice of recall has been forwarded by registered mail to his last address on file with the Company;

(g) fails to return to work upon the conclusion of a leave of absence without reasonable cause;

(h) fails to take a medical examination by a duly qualified medical practitioner when directed to do so by the Industrial Relations Department of the Company;

(i) is not recalled when laid off due to lack of work, his name shall be retained on the seniority list for a minimum of six (6) months, up to a period of time equal to his seniority at date of lay-off, up to a maximum of eighteen (18) months.

2.11 (a) Seniority records will be made available to the Secretary-Treasurer of the Union on a quarter annual basis.

(b) The Company agrees to forward to the Union Office listings of all Starts and Lefts on a monthly basis for the preceding month, and permanent transfers on a weekly basis.

2.12 (a) If employees are absent from work because of sickness, pregnancy leave or disability, they shall not lose seniority rights except as provided in paragraphs 2.10 (d) and (e) of this Agreement. When such employees return to work, they shall be returned to the position that they held prior to their absence, provided that they possess the ability and physical fitness to perform the requirements of the job. It is understood that in these circumstances such an employee shall displace the most recently appointed employee in the classification (and volume range, if applicable) in question in the municipality. It is further understood that employees displaced by an employee returning from sickness, pregnancy leave or disability shall have the right to displace the most recently appointed employee to the classification in the Seniority Division or return to their former position and shall have their rate of pay maintained, if applicable for an eight (8) week period.

(b) The Company agrees that it will recognize the accumulation of the seniority of an employee who is absent from work due to sickness, accident or compensation upon his return to work.

2.13 (a) Notwithstanding Article 2.13 (b) below, persons in the position of Store Manager as of September 26th, 1976, who were previously employed in the bargaining unit, will maintain bargaining unit seniority based on their length of service within the bargaining unit within the seniority division from which they were originally promoted.

(b) Anyone in or promoted to a Management position will continue to accumulate bargaining unit seniority rights within the Union seniority division from which he is promoted, for six (6) months following his promotion, after which time he shall have no bargaining unit seniority rights.

(c) Persons outside the bargaining unit returning to the bargaining unit shall return to a position no higher than their former position in the bargaining unit.

(d) Any person returning to the bargaining unit shall return to the seniority division from which he was promoted.

(e) Any person returning or transferring to the bargaining unit shall not cause the demotion or lay-off of any bargaining unit employee.

(f) Recall rights for an employee who was demoted from a posted position prior to August 27th, 1972 as a result of the return to the bargaining unit of a person from outside the bargaining unit shall not be limited.

(g) A person who has never been in the bargaining unit shall not enter the bargaining unit unless bargaining unit employees who are on lay-off and who have recall rights have declined their right for recall.

ARTICLE 3 - HOURS OF WORK AND OVERTIME

3.01 The basic hours of work for full-time employees shall consist of a five (5) day, thirty-seven (37) hour week, made up of two (2) days of eight (8) hours each and three (3) days of seven (7) hours.

3.02 The Company agrees to pay employees for any time worked other than the regularly scheduled daily hours or in excess of the basic work week at the rate of time and one-half (1-1/2) of the standard rate of pay. An employee who works in excess of two (2) hours of daily overtime shall be paid for the work performed during such additional hours at the rate of two (2) times his standard rate of pay. The first two (2) hours of overtime will be paid at one and one-half (1-1/2) times his standard rate of pay. Overtime work shall be on a voluntary basis. However, since a reasonable amount of overtime is necessary for the efficient operation of the Company's business, the Union agrees to encourage employees to co-operate with the Company by working a reasonable amount of overtime to meet customer shopping requirements. The Company agrees that overtime hours shall not be used in the calculation of hours to provide a normal work day or week.

3.03 (a) Employees who are required to work on their scheduled day off shall work no less than four (4) hours and will be paid two (2) times their standard hourly rate of pay for all hours worked on that day.

(b) A premium of \$1.60 will be paid for every hour worked on Sunday for customer shopping convenience only. For clarity, an employee may be scheduled to work on a night shift or up to two hours prior to store opening and up to one hour beyond store closing at the \$1.60 premium. All other hours will be paid at the rate of double time. Further, in the event that the Sunday closing laws are restored, all hours worked will be paid at double time for any work that is performed on Sundays. Sunday work is voluntary for all employees.

It is understood that Sunday work will be over and above the work week for full-time employees and part of the scheduled work week for part-time employees.

3.04 (a) Employees shall be expected to record their hours of work using the time and attendance system. The time and attendance system will operate with a five (5) minute leeway at either end of the shift.

(b) Employees shall have a definite scheduled starting time and with the exception of the meal period, daily hours of work shall be consecutive. Meal periods shall normally be sixty (60) minutes in duration by mutual agreement between the Company and the employee concerned.

(c) A direct deposit payroll will be implemented for all full time and part time employees during the life of the collective agreement. Employees will not be denied a Family Card and will have the ability to write a cheque for cash within their own store. The pay will be in an account at a bank of the employee's choice and such pay will be direct deposited by 8:00 a.m. every Thursday except during the week of a statutory holiday in which case the pay will be deposited by 8:00 a.m. Friday.

3.05 (a) Employees will be allowed one (1) full day off each week. An employee's day off and his schedule of daily hours shall be posted adjacent to the departmental time sheets not later than Thursday at noon of the previous week. Night Crew employees who work Sunday through Friday shall be notified of the following week's schedule at the completion of the last regular weekly shift. The store steward shall be given a copy of full-time and part-time work schedules.

The Company shall post time schedules for meal periods for a particular week no later than Friday of the previous week. Such posted meal periods shall commence no later than 9:00 a.m. for employees starting at 5:00 a.m.; 9:30 a.m. for employees starting at 5:30 a.m. and so on and shall be adhered to unless business requirements necessitate a change. (Meal periods for Freestanding Ziggy employees shall occur between 11:00 a.m. and 12:00 noon or between 1:00 p.m. and 2:00 p.m.). Preference shall be given to employees as to the time of their meal periods based on the commencement of their shift.

Full-time cashiers will be scheduled for regular available hours, in accordance with their seniority, prior to scheduling part-time cashiers.

(b) Shifts shall commence at quarter hour intervals (e.g., 8:30, 8:45, 9:00 a.m.).

(c) The Company agrees that each employee will be given two (2) consecutive days off one (1) weekend in every three (3), (i.e., Saturday and Sunday or Sunday and Monday). All employees who desire to have Saturdays off in accordance with this provision shall be granted a Saturday off at least once every six (6) weeks, except employees in stores or departments which are regularly closed on Mondays.

(d) The Company shall have the ability to schedule one staff meeting per quarter to be paid at regular time for a duration of up to two (2) hours. Attendance at these meetings will be voluntary.

3.06 Regular employees shall be given three (3) working days' notice of change in their working schedule, prior to such change being implemented except in the case of sickness, accident, bereavement, major fire or flood, in their particular store.

3.07 Employees are entitled to two (2) fifteen-minute break periods, one in each half of the normal day. The first break period shall not take place until the employee has been at work for one (1) hour. The second break period shall not take place until one (1) hour after the completion of the employee's meal period. Break periods shall not be added to meal periods, shall count as time worked and shall be taken at least one (1) hour prior to the completion of the employee's shift.

3.08 When on any day it is necessary to work overtime after 7:30 p.m., employees required to do so shall, if they so desire, be granted one-half (1/2) hour for a meal period.

3.09 When an employee works in excess of three (3) hours and during which there is no meal period, the employee shall be entitled to receive a rest period of fifteen (15) minutes.

3.10 Employees shall not be given time off to avoid the application of overtime rates.

3.11 Employees may be scheduled to commence their shift up to two (2) hours before normal store opening time by mutual agreement between the Company and the employee, or to conclude their shift one (1) hour after the normal store closing time, but in no event sooner than 5:00 a.m. or later than 11:00 p.m. However, on mornings when a Warehouse "wholesale" is scheduled for delivery to a store, employees may be required to commence their regular shift at 7:30 a.m. for the purpose of unloading that delivery. Employees called in to handle wholesale deliveries shall be regular full-time employees. Employees may also be scheduled to commence their shift at 7:30 a.m. on the day following a legal holiday.

3.12 (a) Employees may be designated to work two (2) nights per week for customer shopping convenience, after 6:00 p.m.. Such employees shall be scheduled for work at or after 12:00 noon with a one-half (1/2) hour for a meal period which shall be granted four (4) hours after the commencement of their shift and concluded by 6:00 p.m..

(b) The Company and employee may mutually agree to a schedule which consists of an evening shift(s) and concludes not later than 11 p.m. Such employee shall have a one half (1/2) hour for a meal period, which shall be granted not later than four (4) hours after the commencement of their shift.

(c) The Union agrees that in stores in the locations specifically enumerated hereafter, the Company may schedule employees to work two (2) nights per week for customer shopping convenience, commencing at or after 10:00 a.m.; Oshawa, Ottawa and the Arcade in Toronto, and such other stores as may be agreed upon during the term of this Agreement. Such employees shall have a meal period as outlined in paragraph 3.12(a) above, which shall be granted not later than four (4) hours after the commencement of their shift.

(d) The Company further agrees to pay employees two (2) times their standard rate of pay for work performed after 11:00 p.m.

(e) Employees who are employed in stores which are open six (6) nights per week will not be designated to work more than one Saturday night in three (3).

Employees who are employed in stores which are open less than six (6) nights per week will not be designated to work more than one (1) Saturday night in four (4).

3.13 (a) The Company agrees that none of its stores shall be opened on the evening of Christmas Eve, Christmas Day or the evening of New Year's Eve.

(b) Notwithstanding Article 3.12, for the six weeks prior to Christmas Day the Company may change the normal store opening and closing times without overtime penalties.

3.14 Employees who are receiving overtime pay shall receive such overtime pay upon the basis of their regular rate.

3.15 Bakery Department

(a) Notwithstanding certain provisions set out above in respect to the hours of work, the following provisions shall apply specifically to employees employed in Bakery Departments.

(b) Bakery department employees may be scheduled to commence their shift up to 3 hours prior to store opening but in no event sooner than 5:00 a.m.. Finishing times may be scheduled in accordance with the terms of paragraphs 3.11 above, and paragraphs 3.12 and 3.13 of this Agreement if they are required to work during the evening for customer shopping convenience.

(c) Night Shift Employees
Hours of work for Bakery Night Shift employees shall normally be scheduled as follows:-

The night shift shall commence between 10:00 p.m. and 12:00 midnight and shall conclude not later than 8:30 a.m.. The night shift referred to herein includes a one-half (1/2) hour unpaid meal period.

(d) In the event the Company wishes to implement any basic adjustments to the above mentioned work schedules, it is agreed that the Union will be consulted and that such adjustments will be made by mutual consent.

ARTICLE 4 - NOTICE OF ABSENCE AND LEAVE OF ABSENCE

4.01 (a) Employees are expected to attend work regularly. When unable to report, the Store Manager or his designate must be notified as soon as possible, giving reason why the employee is unable to report, when he expects to return to work and how the Store Manager or his designate can call him relative to his absence.

(b) The Company may require the employee to produce a medical certificate from a duly qualified medical practitioner upon his return to work. It is understood between the Union and the Company that this provision will be acted upon only by the Industrial Relations Department.

The Company agrees to pay an employee for the additional cost incurred in obtaining the certificate beyond what O.H.I.P. provides.

4.02 The Company may grant leave of absence without pay to any employee for legitimate reasons. Such permission and request are to be in writing on the standard leave of absence request form two (2) months in advance, except in an emergency. The Company reply to the request for leave of absence will be given within two (2) weeks, provided the Supervisor involved is not absent on vacation, sickness, etc., in which event the reply will be given within one (1) week following his return. When leave of absence is granted, there shall be no loss of seniority. A claim that the Company withheld permission without justification may be the subject of a grievance and processed accordingly. Any leave of absence granted in conjunction with the employee's vacation will be deemed to follow his vacation period. The Company will grant a paid education leave to a maximum of twelve (12) weeks per year to members designated by the Union.

4.03 (a) The Company shall be governed by the Employment Standards Act of Ontario with regard to maternity and paternity leaves.

(b) The Company may grant a leave of absence, without pay, for the purpose of legal adoptions. The Adoption Agency's requirements will be considered in determining the duration of such leave.

4.04 The Company agrees that an employee appointed by the Union as a full-time representative shall be granted leave of absence without pay while serving in such capacity. Such persons shall continue to accumulate seniority while serving as Union representatives and shall be entitled to return to the bargaining unit should their service be terminated by the Union, with full accumulated seniority.

4.05 An Arbitration Board dealing with a grievance involving discharge or loss of seniority of an employee resulting from an absence caused by a Court conviction (where the Company has refused to grant leave of absence for such conviction) shall have the power to re-instate the employee with full seniority rights or by any other arrangement which is just in its opinion. In determining

this question, the Board shall consider the nature of the offence for which the employee was convicted, the duration of the conviction, the length of service of the employee and his work record.

ARTICLE 5 - CALL-TIME

5.01 (a) Any employee called back to work after the completion of his shift or called in more than three (3) hours prior to the commencement of his shift, will receive two (2) times his standard rate of pay for such hours and shall be guaranteed a minimum of three (3) hours' pay at the premium rate.

(b) Any employee called in to work on his scheduled day off, a Sunday or a Statutory Holiday, shall receive two (2) times his standard rate of pay for such time and shall be guaranteed a minimum of four (4) hours' pay at the premium rate.

ARTICLE 6 - LEGAL HOLIDAYS

6.01 The following holidays shall be recognized as legal holidays: -

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Christmas Day
Dominion Day	Boxing Day
Civic Holiday	

In the event the Government of Canada or the Province of Ontario declare any other day(s) a legal holiday, the Company agrees to recognize such day(s) as a paid holiday(s).

6.02 (a) During the week in which New Years Day, Good Friday, Victoria Day and Dominion Day occurs employees will be scheduled to work four (4) days and will receive five (5) days pay. However, if an employee is required to work five (5) days, he shall receive fifty three (53) hours pay at the standard rate of pay.

(b) During the week in which Civic Holiday, Labour Day, Thanksgiving Day, Christmas Day and Boxing Day occurs employees will be scheduled to work a five day 37 hour week and shall be paid six (6) days pay (45 hours) at the standard rate of pay. When 2 holidays, as defined above occur, in any week, employees will work a four (4) day - 29 - hour week and shall be paid six (6) days' pay (45 hours) at the standard rate of pay.

(c) During a week within which a holiday occurs, employees, if they so desire, shall be granted a day off without pay in addition to the holiday.

(d) When a holiday as defined above falls on a Sunday, the next work day shall be recognized and paid as a holiday. In the event that day is also a holiday, the next work day shall be recognized and paid as a holiday.

6.03 When a legal holiday occurs in a week during which an employee is scheduled to work all of his shifts on the Night Crew, such an employee shall receive legal holiday pay inclusive of the night shift premium.

6.04 To qualify for pay for a legal holiday, the employee must work his last scheduled working day preceding the holiday and his first scheduled working day after the holiday unless he has secured permission from his Store Manager or his designate to be absent on one of the qualifying days. Employees who are off on compensation, accident or illness shall receive legal holiday pay if they have worked within fifteen (15) days of the holiday. Should a legal holiday occur within an employee's leave of absence, he shall not be paid for such legal holiday.

6.05 An employee required to work on any of the aforementioned holidays shall receive two (2) times his regular hourly rate for all hours worked and shall, in addition, receive payment for six (6) days' pay for working a five (5) day week as outlined in paragraph 6.02. If any employee works a legal holiday in any week, he shall have the right to work six (6) days in such holiday week.

6.06 Work on any of the aforementioned holidays shall be voluntary and no employee shall be coerced to work.

ARTICLE 7 - VACATIONS

7.01 Employees who joined the Company after May 1st and have been employed for less than one (1) year shall receive Vacation with Pay during the following year on the following basis:-

	<u>Date of Employment Between:</u>	<u>Vacation with Full Pay</u>
Mar. 16	(current year) - Apr. 15 (current year)	1 day
Feb. 16	(current year) - Mar. 15 (current year)	2 days
Jan. 16	(current year) - Feb. 15 (current year)	3 days
Dec. 16	(previous year) - Jan. 15 (current year)	4 days
Sept. 16	(previous year) - Dec. 15 (previous year)	1 week
Aug. 16	(previous year) - Sept. 15 (previous year)	1 week plus 1 day

	<u>Date of Employment Between:</u>	<u>Vacation with Full Pay</u>
July 16	(previous year) - Aug. 15 (previous year)	1 week plus 2 days
June 16	(previous year) - July 15 (previous year)	1 week plus 3 days
May 16	(previous year) - June 15 (previous year)	1 week plus 4 days
May 1	(previous year) - May 15 (previous year)	2 weeks
Prior to May 1	(previous year)	2 weeks

7.02 Vacation with pay will be calculated on each year of service ending by September 30th.

7.03 Employees who have been employed by the Company for more than one (1) year but less than five (5) years shall be entitled to two (2) weeks' vacation with pay.

7.04 Employees who have been employed by the Company for more than five (5) years shall be entitled to three (3) weeks' vacation with pay.

7.05 Employees who have been employed by the Company for a period of nine (9) years or more shall be entitled to four (4) weeks' vacation with pay.

7.06 (a) Employees who have been employed by the Company for a period of sixteen (16) years or more shall be entitled to five (5) weeks' vacation with pay. One (1) of these five (5) weeks shall be taken during the months of January to April inclusive at a time mutually agreed upon between the Company and the employee.

(b) Employees who have been employed by the Company for a period of twenty-five (25) years or more shall be entitled to six (6) weeks' vacation with pay. Two (2) of these six (6) weeks shall be taken during the months of January to April inclusive at a time mutually agreed upon between the Company and the employee.

(c) Employees who have been employed by the Company for a period of thirty (30) years or more shall be entitled to seven (7) weeks' vacation with pay. Three (3) of these seven (7) weeks shall be taken during the months of January to April inclusive at a time mutually agreed upon between the Company and the Employee.

(d) Employees may request their fifth (5th), sixth (6th) and seventh (7th) weeks of vacation outside of the period referred to above in the event that they have special vacation plans, provided the Company is so notified prior to February 15th each year. The Company agrees that permission to take this week(s) of vacation in these circumstances will not be unreasonably withheld.

7.07 The vacation allowances referred to in this Article will be calculated as follows:-

An employee who has been employed for less than twelve (12) months shall receive vacation pay based on an amount equal to his entitlement as set forth in paragraph 7.01 or the percentage of his total pay to which he is entitled, in accordance with the provisions of the Current Employment Standards Act, whichever is the greater.

An employee who has been employed for more than twelve (12) months shall receive vacation pay based on an amount equal to his entitlement as set forth in paragraph 7.01 or 4% of his total earnings in the previous calendar year as defined below, whichever is the greater.

An employee entitled to two (2), three (3), four (4), five (5), six (6), or seven (7) weeks of vacation will receive two (2), three (3), four (4), five (5), six (6) or seven (7) weeks' pay respectively, calculated at his normal rate per hour at the time he goes on vacation or 4%, 6%, 8%, 10%, 12% or 14% respectively of his total earnings in the previous calendar year as defined below, whichever is the greater.

For purposes of clarity, the percentage payment referred throughout this Article shall apply to the total earnings of the employee during the previous calendar year as shown on the employee's T4 Form and T4A Form.

7.08 Vacations are not cumulative nor can they be carried over from year to year. Employees are requested to take no more than two (2) weeks of their vacation during July and August. Arrangements may be made mutually between the Company and the employees to take care of special circumstances. All vacations start on Monday and the time is counted from there without a break. Sundays are included in the count of days off and are to be considered. Full weeks will be paid to a person

going on vacation in advance. Fractions of a week will be held until the person returns to work and the balance of the work week combined to make one pay. Employees will be given preference in respect of the time of taking their vacation where possible, according to seniority in their particular store and no employee will be allowed to work during any of his vacation period.

7.09 An employee with less than one (1) year's service, whose employment with the Company is terminated for any reason, shall receive vacation pay in accordance with the Current "EMPLOYMENT STANDARDS ACT". An employee with more than one (1) year's service and less than five (5) years' service, whose employment with the Company is terminated for any reason shall receive two-twelfths (2/12) of a standard week's pay for each completed month of service since the end of his last vacation year or 4% of the total pay of the employee in the current vacation year up to and including his date of termination. Employees with over five (5) years' service shall receive three-twelfths (3/12) or 6% on the above basis and those with over nine (9) years' service shall receive four-twelfths (4/12) or 8% on the same basis. Employees with over sixteen (16) years' service, whose employment with the Company is terminated for any reason, shall receive five-twelfths (5/12) or 10% on the same basis. Employees with twenty-five (25) years' service or over, whose employment with the Company is terminated for any reason shall receive six-twelfths (6/12) or 12% on the same basis.

Employees with thirty (30) years' service or over, whose employment with the Company is terminated for any reason shall receive seven-twelfths (7/12) or 14% on the same basis. In each case, the employee will be paid the greater of the appropriate amount of a standard week's pay or the percentage figure.

7.10 When a legal holiday as defined in Article 6 occurs during the employee's vacation period, such employee shall be entitled to receive either one (1) day's extra vacation or one (1) day's pay, as follows:-

(a) Wherever possible, the extra day is to be taken in conjunction with the vacation, at either the beginning or the end of the vacation period, i.e., Saturday preceding or Monday following.

(b) In certain cases, the employee may wish to save the extra day for a special occasion later in the year.

(c) If the day prior to or succeeding the vacation period cannot be given and the employee does not wish to take it at a later date, he would then receive an extra day's pay.

(d) Arrangements under this section are to be completed prior to the commencement of the vacation period.

7.11 Where an employee is absent on lay-off or on leave of absence (which shall not include absence due to sickness, pregnancy leave, accident or compensation) and such absence is for a period longer than one (1) month then his vacation benefits shall be paid on a pro rata basis. When an employee is absent due to sickness, accident, compensation or pregnancy leave for less than one (1) year,

he shall be paid his vacation pay in accordance with paragraphs 7.01, 7.03, 7.04, 7.05 and 7.06 of this Agreement. When an employee has been absent for more than one (1) year, he shall not be entitled to vacation pay regardless of the reason.

7.12 The vacation schedule shall be posted by April 1st of each year and the Company shall not change the vacation period of any employee unless unforeseen circumstances arise which necessitate a change. The vacation period shall be from April to August inclusive. Employees may request their vacations outside of this period and permission to do so will not be unreasonably withheld.

7.13 An employee who becomes disabled and who is eligible for Weekly Indemnity benefits while on vacation, including the first three (3) days of sickness (if applicable), shall revert to Weekly Indemnity benefits and the balance of his vacation will be held in abeyance and will be taken at a later time to be mutually agreed upon between the Company and the employee.

7.14 Vacations granted to employees, where the percentage has no application, will be paid at the employee's base rate which is in effect at the time the employee goes on vacation, with each week's pay being calculated at thirty-seven (37) times the employee's base rate per hour or in the case of part weeks, each day being calculated at eight (8) hours, times the employee's base rate per hour.

7.15 The Company has agreed that in the year of an employees retirement they shall be eligible to receive their normal vacation entitlement and in addition shall receive the appropriate percentage entitlement from January 1st to the date of retirement.

ARTICLE 8 - WELFARE, INSURANCE AND PENSION BENEFITS

8.01 For the duration of this Agreement, the Welfare and Insurance Benefits Programme shall be that set out in Appendix "D" and is hereinafter referred to as the "Programme".

8.02 The coverage's described in Appendix "D" shall be provided under Group Insurance contracts obtained by the Company from an insurer or insurers of the Company's choice. If it is not possible to purchase insurance meeting all of the requirements of the Program, the Company agrees that it will meet with the Union to discuss and reach a mutually agreed upon equitable solution to the problem.

8.03 The Company will pay the full insurance premiums for the applicable coverage in accordance with the terms of the Programme. The Company, by payment of these premiums, shall be relieved of any further liability with respect to the benefits of the Programme. The Company shall receive and retain any surplus, credits or refunds under whatever name arising out of the Programme.

8.04 The Company shall arrange for the administration of the Programme, subject to its provisions. The Company shall be under no obligation by reason of the Programme except in good faith to endeavour to obtain its coverage's and to fulfill any other obligations specifically required in this Article 8 or in the Programme.

8.05 Disputes or differences between participants and the Insurance Companies or between participants and the Company, shall be subject to the grievance and arbitration provisions of this Agreement.

8.06 The Insurance benefits outlined in Appendix "D" shall become effective on the date of ratification of the Agreement with respect to employees then at work and on the first day worked thereafter with respect to other employees.

8.07 The Company will provide Pension and related benefits for employees in the amounts and under the terms set out in the Pension Agreement which is attached hereto as Appendix "E". Such Pension Agreement shall remain in force so long as the terms of this Agreement are in force, subject to any amendment of that Pension Agreement which may be made or necessitated by Section 3 thereof.

ARTICLE 9 - WAGES AND JOB CLASSIFICATIONS

9.01 The following volume concept of wage rates will apply for the positions of Grocery Manager, Produce Manager, Meat Manager, Service Department Manager, Bakery Manager and Assistant Meat Manager : -

<u>Grocery Manager</u>	<u>Volume Range</u>	<u>Dec 31/95</u>
(Store Volume)		<u>Hourly</u>
0 - 63,888	1	20.60
63,889 - 87,846	2	20.67
87,847 - 119,790	3	20.83
119,791 - 159,720	4	21.00
over 159,721	5	21.16

Produce Manager
(Department Volume)

0 - 7,260	1	20.25
7,261 - 9,900	2	20.32
9,901 - 13,200	3	20.48
13,201 - 19,800	4	20.65
over 19,801	5	20.81

Meat Manager
(Department Volume)

0 - 14,375	1	20.77
14,376 - 19,966	2	21.00
19,967 - 28,750	3	21.33
28,751 - 38,333	4	21.49
over 38,334	5	21.66

Service Department Manager

(Department Volume)

0 - 10,164	1	21.00
10,165 - 15,972	2	21.33
15,973 - 21,780	3	21.49
over 21,781	4	21.66

Assistant Meat Manager

(Department Volume)

14,375 - 26,136	1	19.86
26,137 - 34,848	2	20.06
over 34,849	3	20.27

Bakery Manager

(Department Volume)

0 - 6,600	1	21.00
6,601 - 9,900	2	21.33
9,901 - 14,520	3	21.49
over 14,521	4	21.66

Customer Service

Manager 20.81

Bookkeeper 20.32

Backup Bookkeeper 20.27

Floral Manager 19.86

Receiver (Days) 19.13

Receiver (Night) 19.93

Assistant Bakery Manager 19.86

Lead Hand Baker (Nights) 20.26

Night Crew Chief 20.91

Front-End Manager 19.89

Garden Centre Manager 20.81

Non Food Manager (SuperCentre only) 18.78

The following will be the wage progressions for all other employees hired subsequent to August 16, 1982.

<u>Grocery-Produce</u>	<u>Dec 31/95</u>
<u>Clerk (Days)</u>	<u>Hourly</u>
Start	10.07
6 months	11.93
12 months	13.79
18 months	15.65
24 months	18.78

<u>Grocery -Produce</u>	
<u>Clerk (Nights)</u>	
Start	10.87
6 months	12.73
12 months	14.59
18 months	16.45
24 months	19.58

<u>Analyst</u>	
Start	15.25
12 months	15.50
24 months	15.75
36 months	18.78

<u>Baker, Baker/Decorator(Days)</u>	
Start	10.03
6 months	11.61
12 months	13.19
18 months	14.77
24 months	16.35
30 months	19.20

<u>Baker, Baker/Decorator(Nights)</u>	
Start	10.83
6 months	12.41
12 months	13.99
18 months	15.57
24 months	17.15
30 months	20.00

<u>Apprentice Baker</u>	<u>Dec 31/95</u>
	<u>Hourly</u>
Year One	11.41
Year Two	13.31
Year Three	15.21
Year Four	17.19

Meat Cutter (Days)

Start	10.03
6 months	12.00
12 months	13.97
18 months	15.94
24 months	19.20

Meat Cutter (Nights)

Start	10.83
6 months	12.80
12 months	14.77
18 months	16.74
24 months	20.00

Porter (Days)

Start	10.13
6 months	13.50
12 months	18.15

Porter (Nights)

Start	10.93
6 months	14.30
12 months	18.95

Cashier,

Service Clerk,

Wrapper and Meat Clerk

Start	10.07
6 months	11.93
12 months	13.79
18 months	15.65
24 months	18.78

Decorator,

Dec 31/95

Production Clerk

Hourly

Start	10.07
6 months	11.93
12 months	13.79
18 months	15.65
24 months	18.78

Bake-off Production Clerk

(2877 Bayview Avenue) 18.94

The following will be the wage progressions for the following classifications for full time employees hired after December 8,1996.

Grocery, Produce, Deli, Meat Wrapper, Cashier, Bakery Service Clerks

Start	15.25
12 months	15.50
24 months	15.75
36 months	16.00

Meat Cutter and Baker/Decorator

Start	15.50
12 months	15.75
24 months	16.00
36 months	16.25

The full time Pharmacy Assistant rate shall have a maximum end rate of \$15.25 per hour.

9.02 (a) The job classifications, wage rates and range of wage rates applicable to the appropriate job classifications set forth in this Agreement are mutually agreed upon and shall prevail without change as and from the dates indicated in the wage schedules.

(b) Assistant Meat Managers will be required only in those Meat Departments where the Meat Volume is \$14,375.00 and over per week. The Company agrees that its Assistant Meat Manager staffing balance shall occur by means of normal attrition.

(c) A Receiver will be required only in those stores where the Volume is \$99,000.00 and over per week.

(d) A Receiver (Nights) will be required in those stores where the Volume is \$145,200.00 and over per week and where there is a Night Crew and where there are night wholesale deliveries or if there are no night wholesale deliveries, where the receiving is done at night fifty percent (50%) of the work week.

(e) The Company agrees that there shall be a Second Grocery Manager and a Second Produce Manager in their respective Volume #5 stores. The Second Grocery Manager shall be referred to as a Volume #3 Grocery Manager and shall be paid the Volume #3 Grocery Manager rate.

The Second Produce Manager shall be referred to as a Volume #3 Produce Manager and shall be paid the Volume #3 Produce Manager rate.

(f) The Company agrees that there shall be a Bookkeeper in those stores where the Volume is \$181,500.00 and over.

(g) A Store Porter, hired originally in that classification, shall after one (1) year of service or such shorter period which may be mutually agreed upon, be re-classified to Grocery-Produce Clerk, provided he is interested in such re-classification and provided a vacancy exists in that classification. The duties of a Store Porter shall be restricted to sanitation work and cleaning in all departments throughout the store.

9.03 When the Company pays a new employee more than the starting rate in his classification, such employee shall (for the purpose of wage progression only) receive quarterly increases in accordance with the wage schedule and be deemed to have the appropriate service.

9.04 No wage currently enjoyed by an employee which is in excess of the rates set out in the classification schedule herein shall be reduced during the lifetime of the Agreement, provided the employee can fulfill the normal requirements of the job efficiently. Any general wage increase granted by the Company shall be granted to such employees despite the fact that they are enjoying wages in excess of these rates set out in the classification schedule.

9.05 (a) Wage adjustments under the automatic progression schedule shall be made quarterly for each employee, where appropriate, on the first full pay week of January, April, July and October. Where a new employee commences work or an employee is promoted within a quarter, he shall immediately receive the appropriate start rate for the position and he then shall qualify for his first adjustment at the end of the quarter, provided however, he commences work or is promoted prior to the middle (15th) of the second month within the quarter. Should he commence work or is promoted after the 15th of the second month, he shall immediately receive the appropriate start rate for the position and he then shall receive his first quarterly adjustment at the end of the succeeding quarter.

To qualify for the quarterly adjustment in wages as set out herein, the employee must have worked at least 280 hours within the said quarter.

(b) Wage adjustments under the automatic progression schedule shall be made half-yearly for each employee, where appropriate, on the first full pay week of January, April, July and October. Where a new employee commences work or an employee is promoted within the quarter, he shall immediately receive the appropriate start rate for the position and he then shall qualify for his first adjustment at the end of the half year, provided however, he commences work or is promoted prior to the middle (15th) of the second month within the quarter. Should he commence work or is promoted after the 15th of the second month, he shall immediately receive the appropriate start rate for the position and he then shall receive his first adjustment at the end of the succeeding half year.

To qualify for the half-yearly adjustment in wages as set out herein, the employee must have worked at least 560 hours within the said half year.

9.06 C.O.L.A.

Subject to the provisions of this paragraph, there shall be a Cost of Living adjustment to the standard hourly rates of the employees covered by this Agreement. All adjustments shall be incorporated into the standard hourly rates and shall be made annually on the Sunday closest to the first day of January based on the Consumer Price Index for Canada (1986 = 100), published by Statistics Canada.

The basic Consumer Price Index upon which this paragraph has been based is 129.6 (being the Consumer Price Index for Jan. 1993, published in Feb. 1993).

It is agreed that an increase or decrease of .325 in the Index reflects an increase or decrease of one cent (1¢) per hour.

The CPI will be read every January on an annual basis and increases will be subsequently applied and folded into the end rates each year. Any decreases in the CPI will not reduce the wages below the basic wages plus contractual increases.

Example C.O.L.A. increase of .6 cents in the year.
CPI decrease of .8 cents in the subsequent year.
Only .6 cents can be taken off the wage rates.

9.07 Operating Details in respect to the Volume Concept of Wage Progressions

1. General

The Volume Ranges will be referred to, for convenience purposes, numerically from 1 through 5, in ascending order (i.e. Volume Range #1 indicates the lowest Volume store or department and Volume Range #5 refers to the highest Volume store or department).

The rates for the positions of Grocery Manager and Assistant Manager - Free-standing Ziggy's are keyed to the overall store volume and rates for the positions of Produce Manager, Meat manager, Assistant Meat Manager, Service Department Manager and Bakery Manager are keyed to their specific department volume.

2. Volume Review and Adjustment

The volume ranges will be reviewed on Jan 1st each year and adjusted based on an increase in the CPI of food items (Canada). Volumes shall be adjusted quarterly as of the first full pay weeks of January, April, July and October, based on the review of the previous four (4) three-month periods. If the volume in a store adjusts upward or downward, the employee's wage rate will adjust likewise.

Under no circumstances, however, can employees who were already in these classifications as of August 16th, 1982 have their rates adjusted below the amount resulting from the basic general increase (unless demoted for just and sufficient cause).

3. Transfers

(a) Permanent Transfers

An employee can be transferred in the same classification, in the same volume range or in the same classification from a lower volume range, providing he is already receiving an hourly rate no less than the rate in the volume range of the store to which he is being transferred.

When the Company transfers an employee to a lower volume store, that employee's rate cannot be reduced unless the transfer is because of a demotion for just and sufficient cause. The Company cannot permanently transfer an employee to a store carrying a higher rate than that which the employee is already receiving.

(b) Temporary Transfers and Assignments

When an employee is temporarily assigned for more than one (1) day in a calendar week to a higher classification, or a higher volume range, he shall be paid the hourly rate for the classification or volume range to which he is transferred, retro- active to the first day of such assignment.

4. Job Posting

When a vacancy arises in a given volume range, the vacancy may be filled by transferring an employee in the same classification from the same volume range or by transferring an employee in the same classification from a lower volume range, provided he is already receiving an hourly rate no less than the rate in the volume range of the store to which he is being transferred.

When the Company has completed any transferring it deems advisable within the above framework or does not deem it advisable to arrange any such transfers in connection with the original vacancy, either the resulting or the original vacancy will be posted in accordance with the provisions of Article 10 of this Agreement.

Any employee in a non-posted position or any employee in the same classification whose hourly rate is lower than the rates applicable in the store in which the vacancy occurs or any employee in another posted position may apply for the posting in accordance with the provisions of Article 10 of this Agreement.

9.08 The pay day for full-time employees will be on Thursday each week except when circumstances arise beyond the control of the Company which do not permit payment on Thursday.

ARTICLE 10 - JOB POSTING

10.01 When a vacancy occurs in any job which is likely to remain open for over thirty (30) days (or such longer period as the parties may mutually agree) notice of such vacancy shall be posted within eighteen (18) working days of the vacancy arising and shall remain posted for five (5) working days on the bulletin board or boards provided on the premises for that purpose. The Company shall provide the Union with a copy of each vacancy posted. All notices of vacancies shall designate the classification of the job vacant. The rate of pay shall be determined from the schedule of wages herein.

It is understood that in the event that there is an additional employee available in the appropriate classification, who returned to the bargaining unit in accordance with the provision contained in sub-paragraph 2.13(e) and a vacancy occurs subsequently in that classification, such a vacancy shall not be posted.

It is further understood that the Company will not be required to post vacancies in newly opened stores and where vacancies arise from a pregnancy leave of absence. Employees may be transferred from other stores in the seniority division in accordance with the provisions of paragraph 9.07, sub-paragraph 3(a) of this Agreement, to fill the positions in the newly opened stores. However, vacancies arising from the transfer of employees to the newly opened stores shall be posted in the seniority division.

The Company agrees to offer job training opportunities for posted positions to interested full-time employees with sufficient seniority, ability and qualifications to warrant such training.

10.02 (a) Any employee in the seniority division may apply in writing for such job within the time limit specified above. The Company shall provide the necessary forms which will be in duplicate. One copy shall be signed by the Company official and returned to the employee. The Company agrees to supply the Union with a list of applicants for all posted jobs.

(b) An employee who transfers to another seniority division in accordance with paragraph 2.08(a) shall not be entitled to apply for any posting in his new division for six (6) months, unless there are no other applicants for the job.

10.03 The Company shall, within five (5) working days after notice has been posted for five (5) working days, post on the same bulletin board the name and length of service of the successful applicant. If no application is made for the job, the Company shall post the notice of vacancy in all other divisions within five (5) working days. This notice of vacancy shall be posted for five (5) working days. The Company shall, within five (5) working days after such notice of vacancy has been posted for five (5) working days, post on the same bulletin boards the name and length of service of the successful applicant. Such successful applicant shall be given seniority in the position as of the day following the date upon which he is selected by the Company as the successful applicant. In the event a Job Posting is not filled following a province wide posting, the job will be posted as a Job Opportunity for part-time employees within the division where the vacancy exists. If no applications are made, the Company shall then be free to choose an employee who did not apply for such job and is willing to accept it.

10.04 Where the senior employee has relatively equal ability and qualifications for the vacancy in relation to other applicants in the seniority division in which the vacancy occurs, he shall receive the promotion. For the purpose of this paragraph, the senior employee shall mean the employee with the most continuous length of service within the bargaining unit with the Company.

Where, in the opinion of the Company, the senior employee does not have relatively equal ability and qualifications for the vacancy in relation to other applicants in the seniority division in which the vacancy occurs and the Company wishes to choose a less senior employee, the Company will make its wish known to the Union. Should the Union wish to make representations to the Company concerning the Company's wish, the Union must do so within five (5) working days and the Union and the Company agree to meet to discuss the Company's wish. If thereafter this question is unresolved, it may be made the subject of a grievance.

It is agreed that discussions will not be held with employees with the view of persuading them to withdraw their application or not applying for a job posting.

10.05 Any employee who applied for the job and was not chosen may, within five (5) working days after the successful applicant has been declared, register a protest to the Union in writing.

In the event that the protest is brought to the Company's attention, the Company agrees to discuss with the Union and the employee the question of the employee's ability and qualifications with a view to improving the employee's opportunity for future postings. If thereafter this question is unresolved, it may be made the subject of a grievance.

10.06 Jobs to be posted shall be as herein defined:-

GROCERY DEPARTMENT

Grocery Manager
Customer Service Manager
Bookkeeper
Backup Bookkeeper
Receiver (Days)
Receiver (Nights)

PRODUCE DEPARTMENT

Produce Manager

BAKERY DEPARTMENT

Assistant Bakery Manager
Lead Hand Baker (Nights)

MEAT DEPARTMENT

Meat Manager
Assistant Meat Manager
Head Checker

NO FRILLS

Assistant Store Manager
Produce Manager

SERVICE DEPARTMENT

Production Clerk

When a job vacancy for a Assistant Bakery Manager occurs, such vacancy will be posted in Bakery Departments only and will be available to Bakery Department employees only within that Seniority Division.

10.07 For any new hires, job postings or appointments, a three (3) month probationary period shall be served. If additional training is required for the incumbent such training or extension of the probationary period will not be unreasonably withheld by the Company. In the event that a candidate is not successful in completing the probationary period, they shall return to their former position with no loss of seniority. Further, the Company will endeavor to move the full time employee closer to home as opportunities arise. For clarity a part time employee who does not successfully complete their probationary period shall return to their former position and store.

ARTICLE 11 - TEMPORARY ASSIGNMENTS

11.01 When an employee is temporarily assigned to a department manager position for more than three (3) days in a calendar week, he shall receive the hourly rate for the classification to which he is transferred, retro-active to the first day of such temporary assignment.

11.02 (a) No temporary assignment shall exceed thirty (30) working days without mutual consent and such consent shall be in writing.

(b) When department manager positions are to be temporarily assigned, such relief work shall be done by full-time employees. The Company shall have the ability to relieve the Customer Service Manager and Bookkeeper positions with part time employees provided no qualified full time employees can perform the work. The Company agrees to canvass existing part time cashiers by seniority to determine who may be interested in performing such relief work. The most senior employee who is interested and is available to fulfill the scheduled hours and business requirements of the job will be trained. In stores which are located outside of Metropolitan Toronto and full-time employees who are capable of performing the relief work are not available, the Company will discuss the matter with the Union and permission of the Union to utilize part-time employees in these circumstances will not be unreasonably withheld.

(c) When the Store Manager is absent from his position for full shifts in a week beyond his day off, such vacancy shall be temporarily assigned.

When an employee classified as Night Crew Chief is absent from his position for a full shift, such vacancy shall be temporarily assigned. It is understood that all hours assigned in relief of this position shall be paid at the Night Crew Chief rate of pay.

11.03 Where an employee in an appointed or posted position is absent from their position for full shifts in a week such vacancy shall be assigned for thirty-seven (37) hours that week.

11.04 Where an employee relieves the Store Manager (where there is no Assistant Store Manager), he shall receive a relief premium of one dollar and fifty cents (\$1.50) per hour worked, in addition to his normal hourly rate. It is understood that in the calculation of this premium for the applicable employee each week, all full shifts during which the Store Manager is absent from the store beyond his normal day off, shall be taken into account. In such cases, the premium will be retro-active to include the Store Manager's day off. In these circumstances he shall continue to be a member of the bargaining unit and covered by the terms of this Agreement.

When an employee is temporarily assigned for more than one (1) day for full shifts beyond his normal day off to relieve the position of Assistant Store Manager he shall receive a premium of one dollar (\$1.00) per hour worked in addition to his normal hourly rate. In these circumstances he shall continue to be a member of the bargaining unit and covered by the terms of this Agreement.

11.05 On an evening when a store is open for customer shopping convenience and the Store Manager and Assistant Store Manager or Grocery Managers are not on duty, a full-time employee will be assigned to be in charge of the store and shall receive a ten dollar (\$10.00) bonus.

11.06 When an employee is temporarily assigned and works thirty-seven (37) assigned hours in a week in which a legal holiday occurs, he shall be paid for that legal holiday at his relieving rate for that particular week.

ARTICLE 12 - UNION PRIVILEGES

12.01 (a) The Company agrees that all employees within the bargaining unit will become and remain, as a condition of employment, members of the Union during the lifetime of this Agreement.

(b) The Company shall require new employees to make application for membership in the Union at the time of their hiring.

The Company shall collect membership initiation fees as may be established by the Union and forward the application form and such fees to the Union with the regular monthly dues remittance.

The Company agrees to issue a letter to all new hires which will inform them that the workplace is a union shop and membership in the Union and payment of initiation fees and dues is compulsory.

(c) The Company agrees to deduct from the pay of each employee, as a condition of employment, such dues as may from time to time be set by the Union, and to forward the amount so deducted to the Secretary-Treasurer of the Union.

(d) The Company agrees to supply to the Union a report showing the annual Union Dues accumulation for each employee. The Company further agrees to record the annual Union Dues Deductions for each employee on his T4 form.

(e) The Company agrees to forward to the Union Office on a monthly basis, a complete alphabetical listing of all employees, including their home address, starting date, store location, department and Social Insurance Number, separated in full-time and part-time.

12.02 The Company agrees to recognize officers, so designated by the Union, from each division and to grant them time off with pay as may be reasonably necessary to service any grievance or potential grievance. The company also agrees to recognize a Committee comprised of representatives of employees, designated by the Union, for the purpose of collective bargaining or negotiations with the Company. The Committee will be afforded the necessary time off, with pay, to attend such meetings with representatives of the Company.

12.03 Authorized representatives of the Union shall be entitled to visit any store covered by this Agreement for the purpose of observing working conditions, interviewing members and unsigned employees and ensuring that the terms of this Agreement are being implemented. The interviewing of an employee shall be permitted after the appropriate management representative has given his consent, which shall not be unreasonably withheld.

12.04 The Company agrees to provide bulletin boards in each of its stores in a satisfactory place and agrees that the Union may post notices on such boards.

12.05 Any conditions of employment or working conditions now in effect will remain in effect unless changed by collective bargaining.

12.06 Union Meetings, Conventions, Division Surveys, which require staff to be absent from Company duties, shall not be held in the week before or the week in which a legal holiday falls.

12.07 The Union agrees to forward to the Company a listing of store stewards and their store and department locations, on a half-yearly basis.

ARTICLE 13 - TRANSPORTATION

13.01 (a) In a Regional Municipality, an employee who reports to the store to which he is scheduled and who is temporarily transferred to a second store in that Regional Municipality during that day, will receive a transportation allowance at the rate of twenty-four point eight cents (24.8¢) per kilometer (forty cents (40¢) per mile), with a minimum kilometer/mileage re-imbusement of four dollars (\$4.00), payable by the store from which he is temporarily transferred.

(b) In the case of an inter-urban or inter-community temporary transfer, the employee shall be paid transportation allowance at the rate of twenty-four point eight cents (24.8¢) per kilometer (forty cents (40¢) per mile) with a minimum kilometer/mileage reimbursement of four dollars (\$4.00), as well as a meal allowance of three dollars (\$3.00).

Such an employee who is required by the Company to stay overnight in the second community, shall receive reasonable accommodation expenses in accordance with the Company's current approval practice, as well as a meal allowance for each day or part thereof, as follows:-

Breakfast - \$3.50 Lunch - \$4.00 Supper - \$7.50

The accommodation expenses and meal allowances referred to in this paragraph shall be paid by the store to which the employee is temporarily transferred.

It is understood that this provision will not be applicable where the store to which the employee is temporarily transferred is closer to the employee's residence than his home store.

(c) When an employee is required by the Company to depart from his normal work location on an errand, he shall receive a transportation allowance at the rate of twenty-four point eight cents (24.8¢) per kilometer (forty cents (40¢) per mile) with a minimum kilometer/mileage re-imbusement of four dollars (\$4.00).

(d) Transfers in excess of twenty (20) miles (store to store) will be on a voluntary basis, except in the case of sickness, accident or vacation. In the event an employee agrees to a temporary transfer in excess of twenty (20) miles (store to store), he shall receive a transportation allowance at the rate of twenty-four point eight cents (24.8¢) per kilometer (forty cents (40¢) per mile) with a minimum kilometer/mileage reimbursement of four dollars (\$4.00).

It is understood that multiple transfers of less than twenty (20) miles (store to store) will not occur to avoid the application of payment of kilometer/mileage referred to above.

13.02 In the event car pools can be arranged, only the driver will receive the kilometer/mileage allowance referred to in paragraph 13.01.

13.03 When planning store transfers within the Metropolitan area, the Company agrees to take into consideration the location of an employee's residence.

ARTICLE 14 - ADJUSTMENT OF GRIEVANCES

14.01 Either the Company, the Union or any employee has a right to lodge a grievance with respect to any matter arising out of this Agreement or concerning the interpretation, application or alleged violation of this Agreement.

14.02 Any employee believing that he has been unjustly dealt with or that the provisions of this Agreement have not been complied with, shall have the right to place such grievances in the hands of the Union for review and adjustment by the Company, if necessary. Such grievances shall be processed as follows:

STEP ONE: Between the employee concerned, his Union representative and the Store Manager. The grievance must be filed within eighteen (18) working days after the event giving rise to the grievance occurs and within this period of time it shall be discussed at this Stage. The Store Manager shall give an oral decision within four (4) working days from the date the discussion took place. If the Union wishes to appeal to the next Step, the grievance shall be reduced to writing and notice of appeal filed within six (6) working days from the Store Manager's decision.

STEP TWO: Between the employee concerned, the Union representative, the Store Manager, the District Manager and/or their delegates. The discussion at this Step shall be held within seven (7) working days of the date of the appeal. The decision of the Company at this Step shall be in writing and be made within four (4) working days of the date of the meeting. Should the Union wish to appeal, such notice of appeal must be filed in writing with the Head Office of the Company within one (1) week of the decision of the Company at STEP TWO.

STEP THREE: The grievance shall be forwarded to the Head Office of the Company, which shall have one (1) week to dispose of the grievance. The disposition shall be in writing and returned to the officers of the Union. If considered necessary by the parties, a meeting may be held by the parties and may include the interested persons. If a meeting is held, the decision shall be given to the other party within seven (7) days from the date of the meeting.

14.03 In the case of a dismissal, a grievance may be filed by an employee who feels he was unjustly dealt with. Such a grievance must be filed within five (5) working days from the date of dismissal and shall commence at STEP TWO. In any subsequent disposal of this case during the grievance procedure, the Company may reinstate the employee with full back pay, suspend the employee for a definite period or sustain the discharge.

14.04 Grievances concerning rates shall be handled in accordance with the above procedure and the disposition of such grievances, if sustained, shall include the determination of the effective date of the increase with retro-activity thereto.

14.05 The Company or the Union may file grievances commencing at STEP THREE. If an Arbitration Board finds that the Company or the Union has violated the Collective Agreement, it shall have the power to award compensation to the Company or the Union or any employee affected by the violation.

14.06 The time limits as prescribed above may be modified by mutual agreement of the parties.

ARBITRATION

14.07 Should the grievance involve the misinterpretation or alleged violation of the Agreement, either party may be free to appeal to Arbitration from STEP THREE within thirty-one (31) days from the date the decision was given at that Step. The party requesting Arbitration shall advise the other party in writing of its request, together with a statement as to the issue to be arbitrated and shall include in its notice the name and address of its nominee to a Board of Arbitration. The other party shall within one (1) week of its receipt of the notice nominate its member to the Board of Arbitration and so advise the other party.

If the two nominees are unable to agree upon the choice of a third member to act as Chairman, the Minister of Labour for the Province of Ontario shall be requested to appoint a Chairman. The Board shall hear their dispute and the decision of a majority is the decision of the Arbitration Board, but if there is no majority, the decision of the Chairman governs and shall be final and binding upon the parties.

The Board of Arbitration shall not have any jurisdiction to alter or modify any of the provisions of this Agreement, nor to substitute any new provisions in lieu thereof, nor to make any decisions inconsistent with the terms and provisions of this Agreement.

Each of the parties hereto will bear the expenses of the nominee appointed by it and will share equally the expenses of the Chairman of the Board of Arbitration.

The parties may mutually agree that a single Arbitrator shall be appointed in the place of a Board of Arbitration. In the event that the parties agree on a single Arbitrator, the Arbitrator shall have the same powers as a Board of Arbitration under this Agreement.

14.08 The parties agree that an Arbitration Board shall have the power to award compensation or damages to any party who, or employee, who is dealt with contrary to the provisions of this Agreement.

DISCHARGE AND DISCIPLINE

14.09 (a) No employee shall be discharged or disciplined except for just and sufficient cause. The Union agrees to co-operate in an endeavor to correct inefficiencies of employees which might necessitate disciplinary action. Discharge or discipline grievances may be settled by confirming the Company's decision or by re-instating the discharged or suspended employee with full compensation for time lost, less interim earnings if applicable, or by any other arrangement which is just and equitable in the opinion of the parties or of a Board of Arbitration if the matter is referred to it.

(b) The Company agrees that whenever an interview is held with an employee regarding his work or conduct which becomes part of his record, the store steward or Union Area representative shall be present at such interview. The party representing the Union will leave the meeting if requested to leave by the employee.

14.10 (a) All disciplinary warnings or reprimands which are placed in an employee's record and all notices of demotion for cause, discharge or suspension, shall be in writing and shall contain the reason for the warning, reprimand, suspension or discharge. One copy shall be given to the employee and one copy shall be given to the Union Office, within seven (7) days of the incident giving rise thereto.

(b) A disciplinary warning or reprimand which is not in writing shall not be adduced in evidence against an employee in any subsequent disciplinary proceeding or any grievance settlement procedure in which the employee is involved.

(c) Disciplinary warnings and/or reprimands which predate a disciplinary action by more than one (1) year, shall not be adduced in evidence against an employee in any subsequent disciplinary proceeding or any grievance procedure in which the employee is involved.

ARTICLE 15 - STRIKES AND LOCK-OUTS

15.01 There shall be no strike or lock-out during the term of this Agreement. The Company has the exclusive right to determine what merchandise will be carried in its stores, except that the Company agrees that, in the event of a legal strike in the plant of a supplier, it will not handle merchandise from such plant provided however, that merchandise that was on the premises of the Company or in transit to the Company's premises at the time such legal strike commenced, will be handled. In the event of strikes, lock-outs or other similar problems involving suppliers of goods or service, the Company and the Union agree to meet and discuss such situation as it involves the parties to this Agreement, to endeavor to solve such problems in the best interest of the Company, the Union and the employees to the best of the abilities of the parties.

ARTICLE 16 - NOT TO BE UNLAWFUL

16.01 (a) Nothing in the Agreement shall require the Company or the Union to take any action which shall be unlawful by reason of any present or future Statute, Order or Regulation of Canada or the Province of Ontario.

(b) Where the obligation of the Company and the Union to accommodate an employee via the Human Rights Code, may conflict with the terms and the provisions of the Collective Agreement, the Company and the Union may, by mutual consent, modify the Collective Agreement to meet the conditions of the accommodation of the employee.

(c) The Company and the Union agree that pursuant to the Human Rights Code of Ontario, every employee has the right to equal treatment with respect to employment without discrimination because of race, ancestry, place of origin, color, ethnic origin, citizenship, creed, sex, sexual orientation, age, record of offenses, marital status, family status, handicaps, religious beliefs or membership in the Union.

ARTICLE 17 - NIGHT SHIFT

17.01 (a) A "Night Crew" is a group of employees who are regularly scheduled to work in stores after they have been closed to the public and whose duties primarily are connected with the receiving and stocking the stores and the incidental functions connected therewith.

(b) A Night Crew Chief will be appointed in each store where a night shift is in operation.

17.02 Regular employees shall have five (5) working days' notice of transfer to the night crew, prior to such transfer being implemented, except in the case of sickness, accident or bereavement in their particular store.

17.03 The following rules shall apply to all night crew operations: -

(a) An employee who works on a night crew and who is not classified in one of the night classifications as set forth in Article 9 of this Agreement shall receive a shift premium of eighty cents (80¢) per hour for all hours worked on the night shift. For purposes of any Statutory Holiday Pay, Jury Duty Pay, Vacation Pay, Sick Pay or Weekly Indemnity Benefits to which such an employee may be entitled in a week during which he is scheduled to work on a night crew, his hourly rate shall be deemed to include the eighty cent (80¢) premium aforesaid.

An employee who works on a night crew and who is classified in one of the night classifications set forth in Article 9 of this Agreement shall receive the appropriate hourly rate for that night classification in lieu of the premium set forth in paragraph 17.03 (a).

(b) The night shift shall commence between 10:00 p.m. and 12:00 midnight and shall conclude not later than 8:30 a.m.

All night shifts shall include a one-half (1/2) hour unpaid meal period and by mutual agreement either two (2) fifteen (15) minute breaks or one (1) thirty (30) minute break period.

(c) Days off will be at the beginning or the end of the week.

(d) Before a night crew is established, the District Manager and the Area Union representative will work together to locate any employees who desire night work. If insufficient volunteers are located, then the Clerks in the store involved will be required to take their turn on a rotation basis. Such rotation shall be on a six (6) week sequence except for those employees whose preference is to work steady nights.

(e) In a situation where the Company finds it necessary to assign employees to a night crew, any extenuating circumstances regarding an employee will be taken into consideration, and based on those circumstances the Company may not require that employee to go on nights.

(f) Employees who prefer to work on night crews will not participate in any rotation schedule.

(g) If a night shift employee who has been on nights for a reasonable length of time and who is senior to anyone on days, wishes to work days instead of nights, he will be accommodated provided arrangements for his replacement can be worked out between the Area Union representative and the District Manager.

(h) It is understood that no employee shall be required to work alone on the night shift. In the event that a night shift employee reports to his scheduled store and no one is available to work with him, he shall immediately contact his key night crew store in that District Manager's district for instructions.

ARTICLE 18 - USE OF PART-TIME HELP

18.01 It is agreed and recognized by both the Union and the Company that the business of the Company is subject to fluctuations according to the day of the week or month and the time of day, resulting in business peaks. For this reason it is necessary to employ both regular (referred to as "full-time employees") and part-time employees.

18.02 In view of its responsibilities to its full-time employees, to whom an Assurance of Employment is extended (the terms of which are as set out in Appendix "C" hereof) the Company agrees that they shall receive preference over part-time employees in the matter of available employment and continuity of employment.

ARTICLE 19 - FUNCTIONS OF MANAGEMENT

19.01 The Union agrees that the Company has the exclusive right and power to manage its business, to direct the working forces and to suspend, discharge or discipline employees for just and sufficient cause, to hire, promote, demote, transfer or lay off employees, to establish and maintain reasonable rules and regulations covering the operation of the stores, provided however, that any exercise of these rights and powers in conflict with any of the provisions of this Agreement shall be subject to the provisions of the grievance procedure as set out herein.

19.02 The Union also agrees that the Company has the exclusive right and power to study or introduce new or improved production methods or facilities and the Union agrees to co-operate with the Company in the installation of any such methods and in the education of its members for the necessity of such changes and improvements.

19.03 The Company, therefore, retains all rights not otherwise specifically covered in this Agreement, provided however, that any exercise of these rights and powers in conflict with any of the provisions of this Agreement shall be subject to the provisions of the grievance procedure as set out herein.

ARTICLE 20 - BEREAVEMENT PAY

20.01 Should a bereavement occur in an employee's immediate family (parent, parent-in-law, spouse, child, brother, sister, grandparent, brother-in-law, sister-in-law, son-in-law, daughter-in-law or grandchild) the employee shall be granted such time off from work with pay as is reasonable under the circumstances, up to a maximum of three (3) days.

ARTICLE 21 - JURY DUTY PAY

21.01 An employee who is required to serve on a jury shall be compensated for days actually spent on jury duty when he would, otherwise, have been at work.

21.02 The employee shall receive the difference between his jury fees and his normal day's pay for that time he would have been regularly employed had he not been serving on the jury. The employee shall be required to report immediately upon being excused or released from jury duty where such reporting is reasonable under the circumstances.

21.03 The claim of an employee shall be verified by presentation of his jury duty cheque; however, no payment shall be made for any hour for which the employee receives compensation by the Employer for any other reason. Payment shall not be withheld pending submission of the jury duty cheque.

21.04 Any employee subpoenaed to attend as a witness on behalf of the Company or the Crown shall be entitled to the difference between his witness fee and his normal day's pay.

21.05 In the event an employee serves on jury duty from Monday through Friday, he will not be required to work Saturday.

21.06 In the event an employee is required to serve on jury duty during a week in which he would be normally scheduled to work on the night crew, he must notify the Store Manager immediately upon receiving the notice to serve so that he can be re-scheduled to the day shift.

ARTICLE 22 - SALES REPRESENTATIVES

22.01 (a) Sales representatives from Fireco Sales Limited, or their subsequent successors, are permitted to check code dates and rotate and replenish their particular products.

(b) In the case of authorized sampling of merchandise, the outside representatives involved are authorized to handle the items on display, to distribute samples, etc.

(c) The Union is prepared to discuss the use of salesmen for special promotions.

(d) Sales representatives other than those referred to herein are prohibited from handling merchandise in the Company's stores.

22.02 The Company agrees that for any violation of this Article it will pay a penalty of one hundred and fifty dollars (\$150.00) to the Union.

ARTICLE 23 - CHRISTMAS BONUS

23.01 The Company agrees to provide a Christmas Bonus to full-time employees as follows: -

One (1) week's pay to all full-time employees who have been continuously employed by the Company for more than one (1) year as at December 15th of the current year;

or

Three-quarter (3/4) week's pay to all full-time employees who have been continuously employed by the Company for more than nine (9) months as at December 15th of the current year;

or

One-half (1/2) week's pay to all full-time employees who have been continuously employed by the Company for more than six (6) months as at December 15th of the current year.

ARTICLE 24 - RETRO-ACTIVITY

24.01 No part of this Agreement shall be deemed retro-active unless specifically stated. Any adjustment in vacation entitlement or vacation allowance or legal holiday pay required by reason of this Agreement between July 1, 1996 and the date of ratification of this Agreement will be included in the retro-active provisions of this Agreement. All other provisions contained in this Agreement are effective on the date of ratification of this Agreement.

ARTICLE 25 - GENDER

25.01 It is understood that the use of the masculine gender shall include the female gender.

ARTICLE 26 - DURATION OF AGREEMENT

26.01 This Agreement shall become effective on the 1st day of July, 1996 and shall continue in effect until June 28th, 2000. It shall be renewed automatically from year to year unless either party gives to the other party, within a period of not more than ninety (90) days before the expiry date, notice of termination or amendment.

APPENDIX "A" - PART-TIME EMPLOYEES

1.01 All matters relative to part-time employees and their working conditions shall be contained in this Appendix and Article 1; paragraphs 2.05 (h), 2.06, 2.11 (a) and (b); 3.03 (b); 3.05 (d); 4.03, 4.05; 9.02(a); 9.05; 10.07; 11.02 (a) and (b); and Articles 12, 13, 14, 15, 16, 17.03 (b) 18, 19, 21, 24, 25 and 26 of this Agreement. For the purpose of this Appendix, a part-time employee is an employee who is normally scheduled to work twenty-four (24) hours or less per week.

1.02 Employees are expected to attend work in accordance with their schedule of hours. When unable to report, the employee must notify the Store Manager, his designate or Customer Service Manager prior to his scheduled starting time, giving the reason why he is unable to report.

1.03 (a) Employees shall obtain seniority on a store basis. The seniority list for part-time employees shall be posted in each store and shall be kept up to date at all times. Seniority in the Grocery - Produce; Meat; Full Scale Bakery; Service Departments; Photo Lab; Front End Service and Pharmacy shall be separate. Part-time employees, will be required to serve a probationary period of sixty (60) worked days or three (3) months, whichever comes sooner.

(b) No employee shall perform work in other than his department.

(c) (i) Those employees hired prior to December 8, 1996 must submit their availability form by Monday noon for the following weeks work. Failure to do so will result in their being scheduled as per their last declaration of availability.

Those part time employees hired subsequent to December 8, 1996 must submit their availability at the time of their hire. They will be required to work at least one (1) shift per week. They will be able to change their availability three (3) time per year (1st full week in June, September and January).

(ii) If insufficient part time employees are available for work the day before or the day after a statutory holiday(s), the Company shall be able to schedule part time staff in reverse order of seniority on the following basis:

- (a) Fridays and Saturdays before a Monday holiday
- (b) The day before and the day after any other holiday(s).

For clarity this provision will be exercised only after it is determined that no part time employee is available to work or wants to work in excess of twenty four (24) hours as permitted in 1.09 (i). Those employees who are designated to work will be scheduled for preference of shift by seniority.

(iii) Preference in the matter of available work (which shall include call-in, lay-off and recall) shall be allotted by seniority, provided the senior employee is available and can perform the requirements of the work available. The senior employee shall be given the opportunity to demonstrate whether or not he has the ability and qualifications to perform the requirements of the available work. In the event illness, accident, compensation or bereavement does not permit a scheduled employee to attend work, the Company will have the right to call in the

most senior person available not scheduled on that day, provided the call-in will not cause the senior employee to exceed twenty four (24) hours that week.

Employees are expected to attend work, in accordance with their schedule of hours. In the event employees, who are properly scheduled for available hours scheduled, in accordance with their seniority do not attend work, in accordance with the schedule, they shall be subject to disciplinary action, which dependent upon the frequency, could include discharge.

For the purposes of this provision, discipline shall be deemed to be cautionary interview, reprimand, reprimand with suspension and ultimately discharge.

Disciplinary action will not be taken for absence due to legitimate sickness or accident, approved vacation, bereavement or approved leave of absence.

When unable to report as scheduled, employees must notify the Store Manager, his designate or Customer Service Manager, prior to his starting time, giving the reason why he is unable to report. If the reason is due to sickness or accident, the employee may be requested to provide a medical certificate, verifying same. The Company agrees that requests for medical verification will not be unreasonably made.

(d) In the event two or more employees are hired from part-time to full-time on the same date, the employee with the longest part-time seniority will be deemed to be the most senior employee for the purposes of exercising full-time seniority rights.

1.04 The Company agrees to post, adjacent to the employees' time sheets by noon Thursday a schedule of working hours and meal periods for the following week and employees shall be paid for their scheduled hours, provided they are available and can perform the requirements of the work available.

Preference shall be given to employees as to the time of their meal period in order of shift commencement times.

1.05 (a) No employee shall be required to commence a shift sooner than one (1) hour before normal store opening time or conclude their shift one (1) hour after normal store closing time and shall not be required to work a split shift. However, the employee and the Company may mutually agree to commence a shift not earlier than 5 a.m. or to conclude a scheduled shift not later than 11 p.m..

(b) Employees shall not be scheduled for less than four (4) hours on any day except in the case of student part-time employees who may be scheduled for less than four (4) hours between school closing and 6.00 p.m., in the case of a store which is not open for evening shopping.

(c) When an employee is called in to work on any day, he shall be given four (4) hours' pay at normal rates if work is not available.

(d) No employee will be required to work longer than one (1) hour after normal store closing time.

1.06 (a) Employees shall be entitled to a fifteen (15) minute rest period each morning and afternoon or for each three (3) hour work period.

Employees will not be required to take their break until they have been at work for one (1) hour.

(b) Where an employee is working a daily shift of more than six (6) hours, he shall have one (1) hour (or one-half (1/2) hour by mutual consent) off for lunch and one-half (1/2) hour for supper, if applicable.

1.07 (a) Employees shall be paid one and one-half (1-1/2) times their normal hourly rate for the first two (2) hours worked in excess of eight (8) hours in a day and for hours after the allotted times referred to in paragraph 1.05 (d) herein.

In the event that this provision is applicable, it is understood that the forty cent (40¢) per hour premium referred to in paragraph 1.11 hereof shall not apply after the thirty-seventh (37th) hour. It is further understood that any hours worked for which overtime is being paid on a daily basis, shall not be taken into account in the calculation of weekly overtime.

(b) Employees shall be paid two (2) times their normal hourly rate for all work performed on Legal Holidays or days celebrated in lieu thereof, and all time worked in excess of two (2) hours of overtime in a day.

(c) Work on Sundays and Legal Holidays or days celebrated in lieu thereof shall be on a voluntary basis, except in an emergency.

(d) An employee scheduled to work beyond 11:00 p.m. on any night shall be paid at double time for all hours worked after 11:00 p.m. that night. In the event that this provision is applicable, it is understood that the premiums referred to in paragraph 1.08 (a) and (b) and 1.11 of this Appendix shall not be applicable after 11:00 p.m. on any night.

1.08 A shift premium of eighty cents (80¢) per hour shall be paid to employees employed on a night crew. This premium shall be applicable on all hours worked on such night shift operation.

1.09 Employees will not be permitted to work in excess of twenty-four (24) hours per week except in the following circumstances: -

(a) when a full-time employee is absent on Union duties;

(b) in a store in which a full-time employee or part-time employee is absent due to illness, accident, compensation or bereavement, creating an emergency in the said store;

(c) to cover off for vacations;

(d) where a full-time employee is on leave of absence of up to sixty (60) calendar days, provided the Union is notified of such leave of absence;

(e) from December 1st to January 1st;

(f) during the months of May through September in the following summer resort areas:

Collingwood, Kingston, Lindsay, and Peterborough, any other vacation area where the Company may open a store during the lifetime of this Agreement;

(g) for the two (2) weeks previous to and the two (2) weeks directly following the opening of a new store and the commencement date of promotional activities in a store which has been completely refurbished;

(h) where due to sickness or accident a temporary absence of a full-time employee in one store necessitates a temporary transfer of a full-time employee from a second store, then a part-time employee may be employed in that second store, provided however, that all full-time employees are working a normal week in both stores;

(i) during the six (6) working days immediately preceding a legal holiday;

(j) for training purposes (two (2) consecutive weeks for new stores, refurbished stores and new equipment);

(k) notwithstanding the foregoing, no employee shall be permitted to work in excess of twenty-four (24) hours under any circumstances while there are full-time employees who are on short-time or on lay-off in the seniority division, who are available and can perform the requirements of the work available.

(l) during flu season, allergy season and other peak periods in the Pharmacy department only.

1.10 When working in excess of twenty-four (24) hours in any week as permitted by paragraph 1.09 of this Appendix, employees shall receive fifty cents (50¢) per hour over their normal hourly rate for those hours worked beyond 24 hours in a week.

1.11 (a) Employees shall only be permitted to work in excess of twenty-four (24) hours in any week when the circumstances outlined in paragraph 1.10 of this Appendix apply. Should an employee work in excess of twenty-four (24) hours in any week in violation of this paragraph 1.09 (a) through (l) of this Appendix, the Company agrees to pay to the Union a penalty of fifty dollars (\$50.00) if the Company has failed to obtain the concurrence of the Union to have an employee work in excess of twenty-four (24) hours. Concurrence may be obtained from the Union Office, Union Field Representative or a Divisional Union Officer. When such circumstances arise, senior employees will be granted first preference to work in excess of twenty-four (24) hours in any week, provided they are able to perform the work.

(b) No employee who works over twenty-four (24) hours in accordance with paragraph 1.09 of this Appendix shall be permitted to work in excess of thirty-seven (37) hours.

(c) An employee who works in excess of twenty-four (24) hours in a week and who is assigned to relieve a full-time employee shall work thirty-seven (37) hours. It is understood that if the full-time employee returns to work during the week, the part-time employee will revert to his normal part-time schedule of hours.

An employee who works in excess of twenty-four (24) hours in a week and who is assigned to relieve a full-time employee who absents himself during the latter part of the week for vacation, leave of absence or sickness, shall not be required to work thirty-seven (37) hours.

(d) During a week in which a legal holiday occurs, an employee who works in excess of twenty-four (24) hours in accordance with the provisions contained in paragraph 1.09 of this Appendix shall receive pay for the legal holiday on the basis of eight (8) hours, times the sum of his hourly rate and the fifty cent (50¢) per hour premium referred to in paragraph 1.10 of this Appendix.

(e) In the event that an employee is temporarily assigned to a department manager position for more than three (3) days in a calendar week, as permitted by Article 11.02 (b) of this Agreement, they shall receive the hourly rate of the specific classification to which he is assigned, retro-active to the first day of such temporary assignment. It is understood that in these circumstances the premium referred to in paragraph 1.10 of this Appendix shall not be applicable.

1.12 (a) In the event an employee works in excess of thirty-seven (37) hours in a week, in violation of paragraph 1.11 (b), he shall be paid in accordance with paragraph 1.07 (a), (b) and (c) thereof.

(b) When in emergency circumstances an employee who is scheduled to work for twenty-four (24) hours or less, works in excess of twenty-four (24) hours, except as provided for in Articles 1.09 and 1.11 of this Appendix, he shall be paid at one and one-half (1-1/2) times his part-time rate of pay for all hours worked beyond twenty-four (24) hours that week.

1.13 (a) The following holidays shall be recognized as legal holidays: -

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Christmas Day
Dominion Day	Boxing Day
Civic Holiday	

(b) To qualify for pay for a legal holiday, the employee must have: -

- (i) three (3) months' service with the Company;
- (ii) worked at least thirty-two (32) hours during the four (4) weeks immediately preceding the week during which the legal holiday occurs;
- (iii) worked on his last scheduled shift preceding and his first scheduled shift following the legal holiday.

An employee who so qualifies shall receive legal holiday pay based on his average number of daily hours worked (exclusive of daily overtime) during the four (4) weeks immediately preceding the week during which the legal holiday occurs, times his standard rate of pay, with a minimum pay-out of six (6) hours.

1.14 (a) The following part-time wage progression will be in effect for those employees hired prior to November 29, 1992 :

Dec 31/95

Start- 250 hours	\$ 6.50	2501-3000 hours	\$10.75
251 - 500 hours	7.00	3001-3500 hours	11.50
501 - 1000 hours	7.75	3501-4000 hours	12.25
1001 - 1500 hours	8.50	4001-4500 hours	13.00
1501 - 2000 hours	9.25	4501-5000 hours	13.75
2001 - 2500 hours	10.00	5001-5500 hours	14.50
		+ 5501 hours	15.00

(b) The following part time wage progression will be in effect for employees hired after November 29, 1992:

<u>Effective</u>	<u>Dec 31/95</u>
0 to 500 hours	\$ 6.50
501 to 1150 hours	\$ 7.00
1151 to 1800 hours	\$ 7.75
1801 to 2450 hours	\$ 8.50
2451 to 3100 hours	\$ 9.25
3101 to 3750 hours	\$10.00
3751 to 4400 hours	\$10.75
4401 to 5050 hours	\$11.50
5051 to 5700 hours	\$12.25
5701 to 6300 hours	\$13.00
6301 to 7000 hours	\$13.75
7001 to 7650 hours	\$14.50
+7651 hours	\$15.00

(c) The following part time wage progression will be in effect for employees hired after December 8, 1996:

0 to 500 hours	\$ 6.85
501 to 1250 hours	\$ 7.25
1251 to 2000 hours	\$ 7.50
2001 to 2750 hours	\$ 7.75
2751 to 3500 hours	\$ 8.00
3501 to 4250 hours	\$ 8.50
4251 to 5000 hours	\$ 9.00
5001 to 5750 hours	\$ 9.50
5751 to 6500 hours	\$10.25
6501 to 7250 hours	\$10.75
7251 to 8000 hours	\$11.50
8001 to 8750 hours	\$12.00
+ 8751 hours	\$12.50

(d) The front end service employees shall have a separate seniority department and the duties of the job will include bagging, carry out, parcel pick-up, buggy retrieval, clean-up at the front end, sweeping and washing, replenishing bags, bottle and can sorting, price checks, assembly of grocery orders (in the case of online shopping only) and all product returns.

Front end service clerk employees cannot perform work in other departments within the store. However, grocery-produce-front end department employees may perform the job functions of the front end service clerks but they cannot bump front end service clerk employees hours because it is a separate classification and seniority department.

Existing employees who are interested in the front end classification will be paid according to the rates of pay applicable for the front end service clerk which are a start rate of \$6.50 and an end rate of \$8.50.

Employees working in the front end service clerk classification will be given the first opportunity to move into the grocery-produce-front end department as opportunities arise provided they possess the necessary job knowledge and competence to perform the work. Employees who are accepted for these opportunities would slot into the general part time wage progression based on their number of hours worked or \$8.50 hours whichever is the lesser and progress from that point.

The front end service clerk classification employees will be visibly identifiable. The handicap programme will be integrated in to the front end classification and they will be the first employees hired into this classification. The Company agrees that for any violation of the use of this classification beyond the duties set out above, it will pay a penalty to the Union office of fifty dollars (\$50.00).

Wage adjustments under this wage progression shall be made for each employee based on the hours worked.

1.15 (a) When the Company pays a new employee more than the starting rate in his classification, such employee shall (for the purpose of wage progression only) receive wage increases in accordance with the wage schedule and be deemed to have worked the appropriate number of hours.

(b) No wage currently enjoyed by an employee, which is in excess of the rates set out in the wage schedules herein, shall be reduced during the lifetime of the Agreement, provided the employee can fulfill the normal requirements of the job efficiently.

1.16 (a) Employees with less than five (5) years' seniority shall receive Vacation Pay Allowance of four percent (4%) of their earnings during the previous calendar year. Employees with five (5) or more years' service as at May 1st of the current year shall receive Vacation Pay Allowance of six percent (6%) of their earnings during the previous calendar year.

Employees with ten (10) or more years' service as at May 1st, shall receive Vacation Pay Allowance of eight percent (8%) of their earnings during the previous calendar year.

Such payment shall be made between May 1st and June 30th of the current year.

(b) The Company further agrees to provide a Christmas Bonus to employees as follows: -

Employees who have been continuously employed by the Company for more than three (3) years as at December 15th of the current year shall receive a payment of fifty dollars (\$50.00).

Employees who have been continuously employed by the Company for more than one (1) year as at December 15th of the current year shall receive a payment of twenty dollars (\$20.00).

Employees who have been continuously employed by the Company for more than six (6) months and up to one (1) year as at December 15th of the current year shall receive a payment of ten dollars (\$10.00).

1.17 The Company may grant a leave of absence without pay up to a maximum of four (4) weeks' duration to an employee for vacation purposes. Such request and permission shall be in writing. When a leave of absence is granted, there shall be no loss of seniority. A claim that the Company unjustly withheld permission to grant such leave of absence may be made the subject of a grievance and processed accordingly. Part-time employees will be required to submit their vacation intentions by April 1st each year.

1.18 (a) An employee whose name has not appeared on the payroll of the store for over thirty (30) calendar days due to the fact the he was unavailable for work for reasons other than sickness or accident, shall receive consideration on re-application as a new employee. The Company agrees that it will consider past experience and length of service with the Company when establishing the hourly rate for such an employee. For clarity this provision does not apply to those part time employees hired after December 8, 1996, who are required to work at least one shift per week, provided that work is available.

(b) An employee whose name has not appeared on the payroll of the store for over six (6) months due to lack of work, shall receive consideration on re-application as a new employee. The Company agrees that it will consider past experience with the Company and the duration of the person's earlier service with the Company when establishing the hourly rate of pay for such an employee in the wage progression.

1.19 (a) In the event of the termination of business at one of the Company's stores, employees employed at that store at the time of its closing, will be offered part-time employment elsewhere in the municipality and/or the seniority division as outlined in Appendix "B" of this Agreement, provided however, that they have the ability to perform the job requirements. In the event that they accept such work, such employees will carry their part-time seniority to the second store, provided it is understood that in certain circumstances the displacement of less senior employees employed in the municipality and/or seniority division, as outlined in Appendix "B" of this Agreement may occur.

(b) Part-time employees who are getting no hours due to lack of work will be able to transfer to a new store location ahead of new hires. For clarity this does not apply to those employees who are not making themselves available for work.

(c) Part-time employees in a store which is closing concurrent with a new store opening shall have the opportunity to move to the new store.

(d) In the event that any of the Company's stores are closed and then continue later to operate under the name of "No Frills", employees employed at that store at the time of its closing who, because they do not have the ability to perform the job requirements in the No Frills store, will be offered part-time employment elsewhere in the municipality and/or seniority division as outlined in Appendix "B" of this Agreement, provided however, that they have the ability to perform the job requirements. In the event that they accept such work, such employees will carry their part-time seniority to the second store, provided it is understood that in certain circumstances the displacement of less senior employees employed in the municipality and/or seniority division as outlined in Appendix "B" of this Agreement may occur.

(e) Employees, because of their ability and qualifications may be offered part-time employment in a No Frills Unit. In the event they accept such work, such employees will carry their part-time seniority to the No Frills Unit.

1.20 (a) Employees will receive preference on the basis of their seniority within the seniority division as outlined in Appendix "B" of this Agreement in the matter of available full-time employment, provided however, that they have the ability to perform the job requirements.

(b) The Company agrees to post on the bulletin boards notices of full-time job opportunities, in order that employees may indicate their interest in obtaining full-time employment as provided in the Letter of Understanding attached to this Agreement.

(c) Part-time employees who are promoted to full-time after December 8, 1996 will be required to serve a probationary period and will receive credit for their part-time service of fifty percent (50%) of their part-time seniority up to a maximum of one (1) year. For clarity this credit will not apply for the purpose of the wage progression and vacation entitlement.

(d) Such an employee who is terminated from the full-time payroll, who then reverts to the part-time payroll, shall be permitted to retain his seniority rights as a part-time employee, including the period of time during which he was on the full-time payroll for purposes of call-in, his hourly rate of pay within the part-time progression schedule and vacation pay entitlement.

1.21 The Company agrees to pay one hundred percent (100%) Ontario Health Insurance Plan Premium for employees including the children of single parents as follows: -

(a) An employee is eligible for a O.H.I.P. Premium rebate or Quebec Health Insurance Health rebate whichever is applicable to the employee, on the first of the month coincident with or following three (3) years of continuous employment with the Company provided he has worked at least four hundred (400) hours in the previous calendar year.

(b) An employee who is not covered by O.H.I.P. through any other source will be entitled to the O.H.I.P. Premium rebate.

(c) An employee, their spouse and eligible dependents are eligible for an O.H.I.P. Premium rebate on the first month coincident with or following three (3) years of continuous employment with the Company provided he has worked at least seven hundred (700) hours in the previous calendar year.

(d) Payment will be made upon the receipt of proof of purchase.

1.22 The Company agrees to provide Optical coverage for employees including the children of single parents as follows:

(a) An employee is eligible for Optical coverage on the first of the month coincident with or following two (2) years of continuous employment with the Company, provided he has worked at least four hundred (400) hours in the previous calendar year.

(b) An employee who is not covered by any other form of Optical coverage through any other source, will be entitled to a maximum reimbursement of two hundred (\$200.00) once every two (2) years.

(c) Payment will be made upon the receipt of proof of purchase.

(d) Dependents of employees are not eligible for Optical coverage.

1.23 Should a bereavement occur in the immediate family of an employee with twelve (12) or more months of seniority, the employee will be given time off with pay on the day of the funeral for all hours he was scheduled that day. Immediate family shall be as defined in Article 20 of the main body of this Collective Agreement.

Such an employee who is scheduled to work in excess of twenty-four (24) hours in the week in which the bereavement occurs shall be entitled to bereavement leave with pay as set out in Article 20 of the main body of this Collective Agreement.

1.24 (a) An employee and the children of single parents are eligible for Dental Expense Insurance and shall be insured on the first day of the month coincident with or first following one (1) year of continuous employment with the Company, provided he has worked at least four hundred (400) hours in the previous calendar year.

(b) Dependents of employees are not eligible for Dental Expense Insurance.

(c) Upon receipt by the Insurer within ninety (90) days from the date of billing by the dentist and approval by the Insurer of due proof that an eligible employee has incurred expenses for covered dental services, the Insurer will reimburse after a deductible of twenty-five dollars (\$25.00) of covered expenses each calendar year, the employee for one hundred percent (100%) of the charges for such covered dental services listed under paragraph 4, Part "A", and eighty percent (80%) of the charges for such dental services listed under paragraph 4, Part "B", subject to a total annual maximum reimbursement of \$500.00 and excluding that portion of any charge which is in excess of the 1990 Schedule of the Provincial Dental Association in the Province of residence.

Such schedule shall not be adjusted downward and shall be one (1) year ahead of the Industry Plan.

(d) Covered dental services shall be the following: -

PART "A"

- (i) oral examination and diagnosis; but not more than once in any nine (9) month period for employees and dependents age 18 and over;
- (ii) complete series of periodical films but not more than once in any five (5) year period;
- (iii) prophylaxis including scaling and polishing of teeth but not more than once in any nine (9) month period for employees and dependents age 18 and over;
- (iv) bitewing x-rays but not more than once in any nine (9) month period for employees and dependents age 18 and over;
- (v) topical application of any anti-cariogenic agent (e.g., stannous fluoride); but not more than once in any nine (9) month period for employees and dependents age 18 and over;
- (vi) plastic fillings (amalgam, silicate, acrylic or equivalent);
- (vii) emergency treatment;
- (viii) space maintainers not involving the movement of teeth;
- (ix) periodontal treatment including surgery and post surgical treatment, excluding prosthesis and appliances;
- (x) endodontic treatment (root canal therapy);
- (xi) oral surgical procedures including the removal of teeth (erupted, unerupted, or impacted);
- (xii) general anesthesia in connection with oral surgery;
- (xiii) x-rays in connection with oral surgery;
- (xiv) injections of antibiotic drugs by the attending dentist.

PART "B"

- (i) inlays and crowns;
- (ii) complete dentures;
- (iii) partial dentures;
- (iv) fixed bridgework;
- (v) repair or recommencing of crowns, inlays, bridgework and dentures or relining of dentures;
- (vi) periodontal prosthesis or appliances.

PART "B" BENEFITS DO NOT PROVIDE

- (i) services which are cosmetic in nature;
- (ii) dentures and bridgework (including crowns and inlays forming the abutments) to replace a tooth or teeth removed before the participant became insured for this benefit;
- (iii) dentures which have been lost, stolen or mislaid;
- (iv) prosthetic devices which were ordered before the participant became insured for this benefit, or which were ordered while the participant was insured for this benefit but are installed more than thirty (30) days after termination of the insurance;
- (v) replacement of an existing partial or full denture or fixed bridgework, unless:

- (a) the replacement is required to replace an existing denture or bridgework which was installed at least five (5) years prior to the replacement; or

- (b) the replacement is required to replace an immediate temporary denture provided that the replacement by a permanent denture is required and takes place within twelve (12) months from the date of installation of the immediate temporary denture;

- (vi) The addition of teeth to an existing partial denture or fixed bridgework unless the addition is required to replace one or more teeth removed while the participant is insured for this benefit.

(e) The services set out in paragraph (d) hereof shall be subject to the following limitations for which Dental Expense Insurance is not payable: -

- (i) services covered by Workers' Compensation or similar statute;
- (ii) services which the employee is eligible for, or entitled to, under any statute;
- (iii) services for which re-imbusement is provided under any other group or individual insurance policy, any government insurance plan or by reason of the legal liability of any other party;
- (iv) services required because of willfully self-inflicted injuries;
- (v) services by other than a dentist except those services which may be performed by legally qualified auxiliary personnel under the supervision of a dentist.

(f) If employment is terminated because of retirement or if employment is interrupted because of disability or lay-off when an employee receives a U.I.C. Separation Certificate indicating a work shortage as the reason for the separation, the Dental Expense Insurance will be continued for an employee for up to three (3) months following the last month worked by the employee. If the employee is still disabled or laid off after this three (3) month period, the employee may continue to be insured for a further three (3) months by paying directly to the Company a

monthly premium of six dollars (\$6.00).

1.25 (a) The Employer agrees to provide prescription drug coverage for part-time employees including the children of single parents, for employees after one (1) year of service provided he has worked at least four hundred (400) hours in the previous calendar year as follows:

(b) For prescribed drugs, the employee will be required to fill out a claim form for each receipt within ninety (90) days of the date of purchase to the Health Insurance Department at Head Office. After processing the claim, the Company will reimburse the employee for the amount of the prescription less a fifty cent (50¢) deductible.

(c) Covered expenses are drugs dispensed on a prescription of a duly qualified medical practitioner for the use of an employee or eligible dependent. Insulin is covered with or without a prescription. Diabetic supplies are covered when purchased on the prescription of a duly qualified medical practitioner. Injectable drugs, serums and vaccines are covered when administered by a qualified person, but excluding the actual charge of administration. The following expenses are excluded: -

- (i) Patent or proprietary medicines;
- (ii) Vitamins, vitamin preparations or food supplements;
- (iii) Prescriptions paid for by any other agency or plan;
- (iv) Drugs in excess of: one (1) month's supply, the normal quantity required for the illness, or the amount prescribed by the doctor;
- (v) Appliances of any kind such as canes, inhalant devices, crutches, wheelchairs, trusses, abdominal supports, diaphragms, bandages, dressings, first-aid supplies and household remedies;
- (vi) Medication or medicines other than those referred to in sub-item (a) above, which are normally considered over-the-counter preparations and not requiring a prescription;
- (vii) Cost of delivery.

APPENDIX "B" - DIVISIONS

TORONTO DIVISION

Metropolitan Toronto, Brampton, Georgetown, Milton, Newmarket, Oakville, Oshawa, Richmond Hill, Mississauga, Collingwood, Burlington, Pickering, Ajax, Whitby, Bowmanville.

LONDON DIVISION

London

OTTAWA DIVISION

Kanata and Ottawa

EASTERN DIVISION

Kingston, Lindsay, and Peterborough.

APPENDIX "C"

ASSURANCE OF EMPLOYMENT

TO FULL-TIME EMPLOYEES OF LOBLAWS SUPERMARKETS LIMITED

1. (a) The Company agrees that all full-time employees employed on the 1st day of July, 1996 will be offered an Assurance of Employment of thirty-seven (37) hours per week as set forth below, within their seniority division during the lifetime of this Agreement. The seniority divisions are as outlined in Appendix "B" hereof.

(b) The Company agrees that the full-time employees hired after the 1st day of July, 1996 who have no Assurance of Employment, will also be offered an Assurance of Employment of thirty-seven (37) hours per week as set forth below, within their seniority divisions but only to the extent provided by the subsequent terms of this Appendix if they are required to be retained in employment to keep the Assured Number of Jobs in the seniority division up to the required number.

2. It is agreed that the number of full-time jobs assured during the lifetime of this Agreement, except as provided in paragraphs 4, 5 and 7 hereof, shall not be less than the number of jobs assured in each seniority division as set forth in a letter accompanying this Agreement and dated December 8, 1996.

3. (a) In the event that adjustments are required in any particular store as a result of store closings or reduction in sales, the senior employees so affected shall have the right to displace the most junior employees in their job classification in their particular municipality. The most junior employee so displaced may then be required to accept a transfer to another municipality within his seniority division, or beyond his seniority division if the provisions of paragraph 7 of this Appendix are applicable.

In the event that the Union feels that such junior employee has been required to accept a transfer for improper reasons, the Union has the right to appeal such transfer.

(b) The junior employee who refuses to accept a transfer to another municipality in order to obtain thirty-seven (37) hours' work per week, shall be placed on short-time at his regular hourly rate for a minimum of twenty-four (24) hours work per week in his own municipality for a period of three (3) months, after which time he shall be laid off. He shall then be placed on recall and shall have the right to first opportunity of employment if work should become available which he is prepared to accept. If, during this three (3) month period he should elect to move, he shall have the option of displacing the probationary employee hired in the store to which the transfer was offered.

4. (a) Notwithstanding the foregoing, in the event that new techniques of operation, such as the installation of meat wrapping machines, are introduced, the Company reserves the right to reduce the Assurance of Employment by the number of full-time employees displaced by such new technique. Such employees who may be displaced will be offered an Assurance of Employment of thirty-seven (37) hours work per week within their seniority division if they have an Assurance of Employment as

provided by paragraphs 1 (a) and 1 (b) hereof. If they themselves have no Assurance of Employment as provided by paragraph 1 (b) hereof, they will be offered an Assurance of Employment of thirty-seven (37) hours work per week in a seniority division other than their own. The employees thus affected shall be the least senior employees in their classification within the municipality where the displacement occurs.

(b) (i) Should changes become necessary in the Assurance of Employment resulting in reductions in the work force due to new techniques other than meat wrapping machines, the Company and the Union will meet to discuss an equitable solution as to the necessary adjustment in the number of employees affected.

(ii) In the event that an equitable solution cannot be reached between the parties, the question will be referred to a Board of Arbitration for a decision.

(iii) In the event the installation of meat wrapping machines or other new technique of operation has resulted in a reduction of the work force and are subsequently removed or discontinued, the work force will be increased to the original number prior to the implementation of such new techniques or machines.

5. In the event of a major disaster affecting the operation of the Company's stores, the Company and the Union agree to negotiate amendments to the foregoing Assurance of Employment.

6. It is understood and agreed by the parties that the Company may encounter difficulties in assuring the number of jobs in any particular seniority division outlined in Appendix "B" hereof. Where such is the case, the Company shall discuss the situation with the Union and shall have the right to reduce the number of assured jobs in that particular division in accordance with the following principles: -

(a) No employee hired prior to the 30th of April, 1988, except as permitted by paragraph 4, shall be transferred to any seniority division other than his own as outlined in Appendix "B" hereof.

(b) No reduction in the number of Assured Jobs in any division shall be made if there are part-time employees working "back-to-back" in the seniority division.

(c) If there are no part-time employees working "back-to-back" in the division and an adjustment is required in the number of Assured full-time Jobs in that particular division, the Company shall increase the number of Assured full-time Jobs in other seniority divisions by reducing the number of part-time employees working "back-to-back" in those seniority divisions.

(d) The parties agree that during the lifetime of this Agreement the number of full-time employees of the Company shall not be less than the agreed upon number outlined in paragraph 2 above.

7. The Company agrees to provide the Union Head Office with the names of each full-time employee in each division on the signing of this Agreement. The

Company and the Union agree to review on a quarterly basis the number of full-time employees who are in the employ of the Company on both an overall and seniority division basis.

8. (a) In the event adjustments are required in a particular seniority division because of store closings, the Company has the right to reduce the number of Assured Jobs by lay-off by seniority in the seniority division involved by the number of full-time employees who were employed in the closed store.

(b) The Company agrees that in the event of a new store being opened, the number of Assured Jobs in the seniority division involved will be increased by the number of full-time employees employed in the new store, after a period of nine (9) weeks of operation.

(c) The Company further agrees that in the event that a new Service Department is installed in an existing store subsequent to the date of ratification of this Agreement, the number of Assured Jobs in the seniority division within which such store is located, will be increased by the number of full-time employees employed in the new Service Department, after a period of nine (9) weeks of its operation.

(d) The Company further agrees that in the event that a person who is in a Management position as of the date of ratification of this Agreement returns or is transferred to the bargaining unit in accordance with the provisions of paragraphs 2.13 (a) and (e) of the main body of this Agreement, the number of Assured Jobs in the seniority division involved will be increased accordingly.

(e) In the event that any of the Company's Retail Stores covered by the Collective Agreement are closed and then continue later to operate under the name of "No Frills", the Company will have the right to reduce the number of Assured Jobs by lay-off by seniority in the seniority division involved, the reduction being that of the number of full-time employees who were employed in the closed store, who did not continue in employment later in the "No Frills".

For purposes of this paragraph, any stores operated under subsidiary names that become Loblaw stores and come within the jurisdiction of the United Food and Commercial Workers International Union, Local 1000A, will be considered new stores.

9. If it is agreed by the parties that the Company is in breach of the terms of the Assurance of Employment, it shall pay to the Union the amount of damages outlined immediately below: -

Ten dollars (\$10.00) a day for each day multiplied by the number of full-time employees who should have been employed by the Company under the provisions of this Appendix but who are found not to have been so employed.

It is understood that the calculation of the amount of damages referred to in this paragraph shall be based on the employees' normal work week.

If the parties are unable to agree, an Arbitration Board shall, if it finds the Agreement has been violated by the Company, assess the amounts outlined above up to and including the date of its award and make such calculations a part of its award.

It is understood by the parties that the Company shall have a period of three (3) weeks or such longer period as the parties may mutually agree upon to replace full-time employees whose employment has been terminated or severed for any reason whatsoever. The above mentioned penalty provisions shall not apply within such three (3) week period during which the Company shall have the opportunity of replacing the employees.

APPENDIX "D"

WELFARE AND INSURANCE BENEFITS

GROUP INSURANCE COVERAGES

ARTICLE 1 - ELIGIBILITY

1.01 All full-time employees of the Company are eligible for insurance on the following dates: -

(a) For Life Insurance, Accidental Death and Dismemberment Benefit, Semi-private Hospital and Ambulance Expense Insurance on the first day of the month next following his/her date of employment.

(b) For Weekly Indemnity Insurance on the first day of the month following his/her date of continuous full-time employment with the Company.

(c) For Prescription Drug Expense Insurance and the Optical Plan on completion of three (3) months of continuous full-time employment with the Company.

(d) For Dental Expense Insurance on the first day of the month following three (3) months of continuous full-time employment.

(e) For Survivor Income Benefits for employees with eligible dependents, the first day of the month next following six (6) months of continuous full-time employment, or the date on which an employee acquires an eligible dependent, whichever is later.

(f) For Sick Pay Allowance on the completion of six (6) months of continuous full-time employment.

(g) For Long-term Disability Insurance on the completion of one (1) year of continuous full-time employment provided an employee has attained age 18 and has not attained normal retirement age.

1.02 Eligible dependent shall mean: -

(a) In the case of Survivor Income Benefits:

(i) the spouse of an employee, except for a spouse who is both estranged from the employee and not dependent on him/her for support;

and

(ii) any dependent child of an employee provided such child has not attained age eighteen (18).

(b) In the case of Ontario Health Insurance, Semi-private Hospital and Ambulance Expense Insurance, Prescription Drug Expense Insurance and the Optical Plan, a person who is a resident of Canada or the United States and is: -

(i) the spouse of an employee,

and

(ii) any unmarried dependent child of the employee, from birth to age twenty-one (21) and any unmarried children who are mentally or physically infirm to any age.

(c) In the case of Dental Expense Insurance, a person who is a resident of Canada or the United States and is: -

(i) the spouse of an employee,
and

(ii) any unmarried dependent child of the employee, from birth to age twenty-two (22) and any unmarried dependent children who are mentally or physically infirm to any age.

1.03 An employee will become eligible for dependent insurance on the date of becoming eligible if on that date the employee has any eligible dependents; otherwise, the employee will become eligible for dependent insurance on the date he/she first acquires a dependent.

ARTICLE 2 - LIFE INSURANCE

2.01 The amount of Group Life Insurance shall be \$40,000.00.

2.02 The Insurance for an insured employee, who becomes totally disabled before normal retirement age, will be continued during the continuance of total disability until the employee recovers or attains normal retirement age. The insurer shall reserve the right to require the employee to submit to physical examination by physicians designated by it. Total disability means continuous disability which, during the first two (2) years of total disablement, prevents an employee from performing any and every duty pertaining to the employee's own occupation and thereafter from engaging in any occupation for which the employee is fitted through education, training or experience.

2.03 Where an insured employee terminates employment, other than because of total disability, the employee shall have the option of obtaining from the insurer within thirty (30) days of termination an individual Insurance Policy as provided for in the Insurance Contract. This policy shall be for an amount not greater than the amount of Group Life Insurance and shall be subject to the insurer's normal underwriting rules, except that this Insurance shall not be subject to the employee supplying evidence of insurability.

ARTICLE 3 - ACCIDENTAL DEATH AND DISMEMBERMENT BENEFITS

3.01 Accidental Death and Dismemberment Insurance is payable in the event of death which results from injury caused accidentally and within 365 days of such injury on the basis of 100% of the amount set out in paragraph 3.02. Benefits will be paid for certain dismemberment's as set out in paragraph 3.02.

3.02 The amount of Accidental Death and Dismemberment Insurance shall be: -

Loss of Life	\$30,000.00
Loss of Both Hands	
Loss of Both Feet	
Loss of the Sight of Both Eyes	
Loss of One Hand and One Foot	

Loss of One Hand and the Sight of One Eye	
Loss of One Foot and the Sight of One Eye	
Loss of One Hand	\$15,000.00
Loss of One Foot	
Loss of the Sight of One Eye	

3.03 Accidental Death and Dismemberment Benefits are not payable for any loss resulting directly or indirectly, wholly or partially from any of the following causes: -

- (a) Suicide or willfully self-inflicted injuries, while sane or insane;
- (b) Committing or attempting to commit a criminal offense as defined in the Criminal Code of Canada;
- (c) War or hostilities of any kind, whether or not the insured person was actually participating therein, and whether or not war was declared;
- (d) Injuries sustained by the insured person as the result of driving a vehicle if, when the injuries were sustained, the blood of the insured person contained in excess of eighty (80) milligrams of alcohol per one hundred (100) milliliters of blood.

"Vehicle" means a vehicle that is drawn, propelled or driven by any means other than muscular power, and includes an aircraft, automobile, truck, motorcycle, moped, snowmobile and boat.

ARTICLE 4 - SURVIVOR INCOME BENEFITS

4.01 On the death of an insured employee, a monthly benefit will be payable to his/her spouse and/or children under age 18. This benefit will be payable until the later of: -

- (a) the date of death or, remarriage of the spouse,
or
- (b) the date on which the youngest eligible child attains age 18.

4.02 The amount of the monthly benefit, subject to paragraph 4.04 of this Appendix, will be one-twelfth (1/12) of the greater of: -

- (a) \$600.00,
or
- (b) 20% of the employee's average annual basic earnings during the three (3) years immediately prior to the employee's death,
or
- (c) 66-2/3% of the total annual Company Retirement Pension benefit which the employee has accrued to the date of the employee's death.

4.03 In the event of the remarriage of a surviving spouse with no eligible children under the age of 18, the benefit shall cease. In the event of the remarriage of a surviving spouse with eligible children under the age of 18, the benefit shall be reduced to 50% of the previous amount and be payable until the youngest surviving child attains age 18.

4.04 The maximum monthly benefit payable will be \$700.00 per month.

4.05 This coverage shall terminate at the earliest of the following dates: -

- (a) the fifteenth (15th) day following the date of termination of employment with the Company;
- (b) the date of the employee's retirement or early retirement pension under the Company's Pension Plan;
- (c) the date on which the employee attains normal retirement age;
- (d) the date on which the employee ceases to have any eligible dependents;
- (e) the date of remarriage of a surviving spouse.

4.06 The insurance for an insured employee, who becomes totally disabled before normal retirement age, will be continued during the continuance of total disability until the employee recovers or attains normal retirement age. The insurer shall reserve the right to require the employee to submit to physical examination by physicians designated by it. Total disability means continuous disability which, during the first two (2) years of total disablement prevents an employee from performing any and every duty pertaining to the employee's own occupation and thereafter from engaging in any occupation for which the employee is fitted through education, training or experience.

4.07 The Company will continue to provide the following Welfare Benefits for survivors: -

- (a) Semi-private Hospital and Ambulance Expense Insurance;
- (b) Prescription Drug Expense Insurance;
- (c) Quebec Residents Supplemental Hospital and Medical Insurance;
- (d) Dental Expense Insurance;
- (e) Ontario Health Insurance Plan.

ARTICLE 5 - WEEKLY INDEMNITY INSURANCE

5.01 An insured employee who is totally disabled and unable to work due to sickness or an accident not covered by Workers' Compensation, will be paid a weekly benefit commencing on the first day of absence due to an accident and the fourth day of absence due to a sickness. The amount of the benefit and the maximum period for which the benefit is payable shall be as set out in the following schedule: -

Years of Continuous Full-time Employment with the Company

<u>At Least</u>	<u>But Less Than</u>	<u>Amount of Weekly Benefit</u>	<u>Maximum Period</u>
First of the month next following date of hire	3 years	75% of Basic Weekly Wage	26 weeks
After 3 years	85% of Basic	Weekly Wage	26 weeks

The weekly benefit shall be determined based on basic weekly wage and service as of the date of commencement of disability.

5.02 It is not required that the insured employee be confined to home, but the employee must be under the regular care and attendance of a licensed physician during the period for which benefits are being claimed.

5.03 Certification of illness for loss of time benefits, up to a maximum of ten (10) weeks for each period of disability, will be accepted if completed by a licensed Chiropractor, Podiatrist or Oral Surgeon.

5.04 A disability resulting from the same cause as a previous disability will be treated as a continuation of the previous disability unless the employee has returned to work on a continuous full-time basis for at least two (2) weeks (14 days).

5.05 Weekly benefits are not payable for the following: -

- (a) Disability for which an employee receives benefits under any Workers' Compensation or similar law;
- (b) Disability resulting from willfully, self-inflicted injury or from any attempt at self-destruction;
- (c) Disability of an employee who is not under treatment by a physician or surgeon duly licensed to practice medicine, or during the first four (4) weeks of disability of an employee who is not under treatment by a licensed Chiropractor;
- (d) Pregnancy where a female employee is not disabled;
- (e) Any period during which a female employee is on a pregnancy leave of absence in accordance with Article 4.03 of this Agreement.

ARTICLE 6 - LONG-TERM DISABILITY INSURANCE

6.01 Upon receipt and approval by the insurer of due proof that an insured employee has become totally and continuously disabled for a period of twenty-six (26) weeks, a monthly benefit shall be paid to the employee until the earliest of the following dates: -

- (a) the date on which the employee shall cease to be totally disabled;
- (b) the date on which the employee attains normal retirement age;
- (c) the date of the employee's death.

6.02 Total disability means continuous disability which, during the first two (2) years of total disablement, prevents an employee from performing any and every duty pertaining to the employee's own occupation and thereafter from engaging in any occupation for which the employee is fitted through education, training or experience.

6.03 The amount of the monthly benefit payable with respect to a disability shall be the amount of monthly benefit in effect for the employee on the date of commencement of the disability as set out in the following schedule: -

<u>Portion of Basic Monthly Wage</u>	<u>Benefit as a Percentage of Basic Monthly Wage</u>
First of \$2,300.00	66%
Subject to a maximum monthly benefit of \$1,518.00	

6.04 If the disability income benefit receivable by the disabled employee from all sources, including Workers' Compensation benefits, exceed 71% of the employee's average earned monthly income during the two (2) year period immediately prior to the date of disablement, payment under this benefit will be reduced so that the income benefits from all sources shall not exceed 71% of such average earned monthly income.

6.05 Under no circumstances will the total monthly benefit payable under this policy, together with other income replacement sources payable because of disability, be less than the amount shown in the above schedule.

Long-term Disability benefits will not be reduced by virtue of any amount received on behalf of any dependents of an L.T.D. recipient.

6.06 It is not required that the insured employee be confined to home, but the employee must be under the regular care and attendance of a licensed physician during the period for which benefits are being claimed.

6.07 Long-term Disability benefits are not payable with respect to disabilities resulting from any of the following:-

- (a) Willfully self-inflicted injury or any attempt at self-destruction;
- (b) Any condition for which the employee is not under the care of a physician or surgeon duly licensed to practice medicine;
- (c) War or hostilities of any kind, whether or not the employee was actually participating therein and whether or not war be declared;
- (d) Pregnancy where a female employee is not disabled;
- (e) Any period during which a female employee is on a pregnancy leave of absence in accordance with Article 4.03 of this Agreement.

ARTICLE 7 - SEMI-PRIVATE HOSPITAL AND AMBULANCE EXPENSE INSURANCE

7.01 Upon receipt and approval by the insurer of due proof that an eligible employee or dependent has been confined in a licensed hospital, the insurer shall, subject to Article 15, re-imbrues the employee for the amount charged by the hospital for room and board in excess of the expenses covered by the Provincial Hospital Insurance Plan up to an amount equal to the difference between the charges for standard ward and standard semi-private accommodation for each day of confinement during any one period of disability, whether from one or more than one cause. The maximum payable under this benefit in respect of hospitalization in the Province of Quebec is the actual differential rate.

7.02 Upon receipt and approval by the insurer of due proof that an eligible employee or dependent has incurred expense in respect of the use of a hospital or professional motor car ambulance, the insurer will, subject to Article 15 re-imburse

the employee for such expense, provided that payment will be made only in respect of a disability where hospital confinement is required and only if the insurer is satisfied that the physical condition of the individual precluded the use of other means of transportation.

ARTICLE 8 - PRESCRIPTION DRUG EXPENSE INSURANCE

8.01 Prescribed drugs are to be purchased at participating Drug Stores. Employees will be issued an identification card, which will be valid for one (1) year. Upon presentation of this card to a participating Drug Store, the employee will be required to pay a fifty cent (50¢) deductible for each prescription.

8.02 For prescribed drugs not purchased at a participating Drug Store, the employee will be required to fill out a claim form for each receipt within ninety (90) days of the date of purchase to the Health Insurance Department at Head Office. After processing the claim, the Company will re-imburse the employee for the amount of the prescription less a fifty cent (50¢) deductible.

8.03 Covered expenses are drugs dispensed on a prescription of a duly qualified medical practitioner for the use of an employee or eligible dependent. Insulin is covered with or without a prescription. Diabetic supplies are covered when purchased on the prescription of a duly qualified medical practitioner. Oxygen will be covered when prescribed. Injectable drugs, serums and vaccines are covered when administered by a qualified person, but excluding the actual charge of administration. The following expenses are excluded: -

- (i) Patent or proprietary medicines;
- (ii) Vitamins, vitamin preparations or food supplements;
- (iii) Prescriptions paid for by any other agency or plan;
- (iv) Drugs in excess of: - one (1) month's supply, the normal quantity required for the illness, or the amount prescribed by the doctor;
- (v) Appliances of any kind such as canes, inhalant devices, crutches, wheelchairs, trusses, abdominal supports, diaphragms, bandages, dressings, first-aid supplies and household remedies;
- (vi) Medication or medicines other than those referred to in sub-item (i) above, which are normally considered over-the-counter preparations and not requiring a prescription;
- (vii) Cost of delivery.

8.04 All benefits paid under this coverage will be insured and shall be subject to Article 15.

ARTICLE 9 - QUEBEC RESIDENTS SUPPLEMENTAL HOSPITAL AND MEDICAL INSURANCE

9.01 For those full-time Ontario employees who are resident in the Province of Quebec, the Company will provide Supplemental Hospital and Medical Insurance coverages, until such coverages are provided by the Governmental Hospital or Medicare Insurance Plan.

9.02 Upon receipt and approval by the insurer of due proof that an eligible employee or dependent has incurred a covered expense, the insurer will, subject to Article 15, re-imburse the employee for the amount of the expense up to the level of

re-imburement provided under the Ontario Health Insurance Plan. Covered expenses are as set out in the following schedule: -

- (a) Psychoanalysis given by a psychiatrist in his office;
- (b) Radiology and laboratory services in an out-patient department outside the Province;
- (c) Laboratory services performed at a laboratory inside or outside the Province;
- (d) X-rays and laboratory involving the services of both technicians and physicians;
- (e) Physiotherapy outside hospital;
- (f) Chiropractor;
- (g) Podiatry;
- (h) Ambulance.

ARTICLE 10 - DENTAL EXPENSE INSURANCE

10.01 Upon receipt by the insurer within ninety (90) days from the date of billing by the dentist and approval by the insurer of due proof that an eligible employee or dependent has incurred expenses for covered dental services, the insurer will, subject to Article 15, re-imburse the employee for one hundred percent (100%) of the charges for covered dental services listed under Article 10.02, Part "A",; ninety percent (90%) of the charges for covered dental services listed under Article 10.02, Part "B", subject to \$2,000.00 in a 24 month benefit period for services under Part "A" and/or Part "B" and, after satisfying a deductible of fifty dollars (\$50.00) for each treatment plan, fifty percent (50%) of the charges for dental services listed under Article 10.02, Part "C", subject to a maximum lifetime benefit of \$1,000.00. Benefits are provided under Parts "A" and/or "B" exclude that portion of any charge which is in excess of the prevailing Schedule of Fees of the Provincial Dental Association in the Province of residence.

10.02 Covered dental services shall be the following: -

PART "A"

- (a) oral examination and diagnosis; but not more than once in any nine (9) month period for employees and dependents age 18 or over;
- (b) complete series of periapical films but not more than once in any five (5) year period;
- (c) prophylaxis including scaling and polishing of teeth but not more than once in any nine (9) month period for employees and dependents age 18 or over;
- (d) bitewing x-rays but not more than once in any nine (9) month period for employees and dependents age 18 and over;
- (e) topical application of any anti-cariogenic agent (e.g., stannous fluoride); but not more than once in any nine (9) month period for employee and dependents age 18 or over;
- (f) plastic fillings (amalgam, silicate, acrylic or equivalent);
- (g) emergency treatment;
- (h) space maintainers not involving the movement of teeth;
- (i) periodontal treatment including surgery and post-surgical treatment, excluding prosthesis and appliances;
- (j) endodontic treatment (root canal therapy;)

- (k) oral surgical procedures, including the removal of teeth (erupted, unerupted or impacted;)
- (l) general anesthesia in connection with oral surgery;
- (m) x-rays in connection with oral surgery;
- (n) injections of antibiotic drugs by the attending dentist;
- (o) one (1) oral hygiene instruction per insured individual per life- time.

PART "B"

- (a) inlays and crowns;
- (b) complete dentures;
- (c) partial dentures;
- (d) fixed bridgework;
- (e) repair or recementing of crowns, inlays, bridgework and dentures or relining of dentures;
- (f) periodontal prosthesis or appliances.

PART "B" BENEFITS DO NOT PROVIDE

- (a) services which are cosmetic in nature;
- (b) dentures and bridgework (including crowns and inlays forming the abutments) to replace a tooth or teeth removed before the participant or dependent became insured for this benefit;
- (c) dentures which have been lost, stolen or mislaid;
- (d) prosthetic devices which were ordered before the participant or dependent became insured for this benefit, or which were ordered while the participant or dependent was insured for this benefit but are installed more than thirty (30) days after termination of the insurance;
- (e) replacement of an existing partial or full denture or fixed bridgework unless:
 - (i) the replacement is required to replace an existing denture or bridgework which was installed at least five (5) years prior to the replacement;
 - or
 - (ii) the replacement is required to replace an immediate temporary denture provided that the replacement by a permanent denture is required and takes place within twelve (12) months from the date of installation of the immediate temporary denture;
- (f) the addition of teeth to an existing partial denture or fixed bridgework unless the addition is required to replace one or more teeth removed while the participant or dependent is insured for this benefit;
- (g) services directly associated with any single series beyond those for which provision is made in the prevailing Schedule of Fees of the Provincial Dental Association in the Province of residence.

PART "C"

This benefit applies to orthodontic treatment for an employee or eligible dependent under age 20, who is covered for Dental Insurance. Eligible charges are those made for an "orthodontic treatment plan" that prior to treatment has been reviewed by the insurance carrier and returned to the dentist, showing estimated benefits, and is required by an overbite of at least four (4) millimeters, crossbite or protrusive or retrusive relationship of at least one cusp.

An "orthodontic treatment plan" is a report on a form satisfactory to the insurance carrier that among other things describes the recommended treatment, gives the estimated charge and is accompanied by cephalometric x-rays, study models, and other supporting evidence.

The benefit will be paid in equal installments beginning when the orthodontic appliances are first inserted, and monthly thereafter for the estimated duration of the treatment plan, as long as the patient remains covered. If benefits are being paid on termination of coverage, they will be continued for charges incurred during the rest of the quarterly installment period in progress.

10.03 The services set out in paragraph 10.02 hereof shall be subject to the following limitations for which Dental Expense Insurance is not payable:

- (a) services covered by Workers' Compensation or similar statute;
- (b) services which the employee is eligible for, or entitled to, under any statute;
- (c) services for which re-imbusement is provided under any other group or individual insurance policy, any government insurance plan or by reason of the legal liability of any other party;
- (d) services required because of willfully, self-inflicted injuries;
- (e) services by other than a dentist except those services which may be performed by legally qualified auxiliary personnel under the supervision of a dentist;
- (f) charges for a procedure for which an active appliance was installed before the patient was covered.

10.04 If employment is terminated because of retirement at normal retirement age or in the event of a lay-off where an employee receives an Employment Insurance Record of Employment indicating a work shortage as the reason for separation, the insurance will be continued for an employee and any eligible dependents for up to three (3) months following the last month worked by the employee.

OTHER WELFARE AND INSURANCE BENEFITS

ARTICLE 11 - ONTARIO HEALTH INSURANCE PLAN

11.01 The Company agrees to pay the full Ontario Health Insurance Plan Premium for all full-time employees and for their eligible dependents, subject to Article 15. The Company agrees to pay the full cost of any subsequent increases in this premium. The Union agrees that any cost savings resulting from any other Government action shall accrue solely to the benefit of the Company. For Ontario employees resident in the Province of Quebec, the reference to O.H.I.P. premium shall be replaced with a reference to the individual income tax levied by the Province of Quebec for the provision of benefits comparable to those benefits available under O.H.I.P..

11.02 The Company shall pay an employee for the cost of additional visits to a licensed Chiropractor beyond the ten (10) visits O.H.I.P. provide to a maximum of ten (10) additional visits per year. Payment for such visits will be based on the O.H.I.P. Fee structure.

ARTICLE 12 - WORKERS' COMPENSATION COMPENSABLE ACCIDENTS

12.01 The Company shall pay an employee for time lost, resulting from a compensable accident, during the period on the first day which is not covered by Workers' Compensation Board coverage.

ARTICLE 13 - SICK PAY ALLOWANCE

13.01 This coverage will be paid for and administered by the Company. Sick Pay Allowance will provide for the payment of the first three (3) days of any absence due to sickness, to a maximum of twelve (12) days per calendar year, at one hundred percent (100%) of basic daily pay.

13.02 Claim forms must be submitted to the Payroll Department within ninety (90) days of the date of commencement of the sickness. The allowance will be paid through Payroll and will be subject to the normal payroll deductions.

13.03 The Company may require the employee to produce a medical certificate from a duly qualified medical practitioner upon his return to work. It is understood between the Union and the Company that this provision will be acted upon only by the Industrial Relations Department.

ARTICLE 14 - OPTICAL PLAN

Definitions

In this benefit,

14.01 (a) "Optometrist" means a member of the Canadian Association of Optometrists or of any Provincial Association associated therewith;

(b) "Physician" means a person who is legally licensed to practice medicine;

(c) "Reasonable and customary charges" mean charges which are usually made for the items of expense listed under Eligible Expenses in the absence of insurance, excluding any portion of the charges which exceed the general level of charges in the area where the expense is incurred, except that the charges for eligible expenses incurred outside Canada which are in excess of the level of charges for comparable services rendered in the area in which the Canadian Head Office of the Policyholder is located, will not be considered as eligible.

Eligible Expenses: -

"Eligible Expenses" means reasonable and customary charges for the following items of expense:

14.02 (a) Eye examinations by an optometrist, but for not more than one examination in a period of twenty-four (24) months, (twelve (12) months for a dependent child under age 18), provided benefits are not payable for the examination under any Government Medical Care Insurance Plan;

(b) Optical appliances, provided such appliances are necessary for the correction of vision and are prescribed by a physician or optometrist, and repairs to such appliances, subject to maximum total eligible expenses of two hundred (\$200.00) dollars during the 24-month period ending on the date an eligible expense for such appliances is incurred;

(c) Optical appliances which are prescribed by an ophthalmologist as a result of a surgical procedure, subject to maximum total lifetime eligible expenses of two hundred dollars (\$200.00) for such appliances in respect of any one surgical procedure;

(d) Contact lenses, where an ophthalmologist certifies that such contact lenses are necessary as a result of a surgical procedure or for the treatment of keratoconus, and that satisfactory correction of vision cannot be obtained through the use of eye glasses, subject to maximum total lifetime eligible expenses of one hundred and fifty dollars (\$150.00) in respect of any one surgical procedure or for the treatment of keratoconus.

ARTICLE 15 - CO-ORDINATION OF BENEFITS PROVISION

15.01 This Article 15 applies where the spouse and/or family of a covered full-time employee are provided with insurance coverages by virtue of such spouse's employment. Where such other coverages are provided, the amount of benefit provided under Articles 7, 8, 9, 10 and 11 of this Appendix "D" shall be equal to the amount otherwise payable by the Company less the full amount which would be provided by virtue of the spouse's employment in the absence of any benefits provided by the Company.

APPENDIX "E"

RETIREMENT BENEFITS

SECTION 1 - EFFECTIVE DATE, PURPOSE AND DURATION

1.01 The purpose of this Agreement is to provide for payment of Pension and certain other benefits to eligible employees in the amounts, and upon fulfillment of the conditions, as herein specified.

1.02 The Company shall maintain, for the duration of this Agreement, a Pension Plan to provide the benefits herein specified.

1.03 (a) This Agreement shall continue in effect until the Agreement, to which it is appended, shall be terminated as herein provided.

(b) Anything herein which might be construed to the contrary, notwithstanding however, it is understood that termination of this Agreement shall not have the effect of automatically terminating the Pension Plan maintained pursuant to Section 1.02 hereof.

SECTION 2 - DEFINITIONS

In this Agreement, which is an Appendix to another Agreement, the following words and phrases shall have the following meanings unless a different meaning is specifically required by the context hereof.

2.01 "Actuary" shall mean the actuary or firm of actuaries retained by the Company, but independent thereof. Such actuary or a member of such firm shall be qualified through Fellowship in the Canadian Institute of Actuaries.

2.02 "Agreement" shall mean this Appendix "E" to an Agreement between Loblaw's Supermarkets Limited and United Food and Commercial Workers Union, Local 1000 A.

2.03 "Company" shall mean Loblaw's Supermarkets Limited acting through its Board of Directors or any person authorized by that Board of Directors to act on its behalf.

2.04 "Continuous Service" shall mean unbroken full-time employment with the Company and shall include periods of annual vacation granted by the Company, approved leaves of absence, periods of lay-off and periods of time lost due to sickness or accident whether or not subject to Workers' Compensation.

Continuous Service shall be considered to have been broken when the seniority rights of an employee are terminated.

2.05 "Credited Interest" shall mean interest on Member contributions to the Plan compounded annually from the end of the Plan Year in which contributions were made to the first day of the calendar month in which a determination thereof is to be made. Provided however, that such compounding shall commence from May 1st, 1972 for determinations being made in respect to contributions made prior to that date. The rate of interest used in compounding Credited Interest in any Plan Year shall be

the average of the rate in effect on the first day of each month during the previous Plan Year for non-checking savings accounts administered by the Bank with which the Company transacts the majority of its banking business.

Effective January 1, 1988, Credited Interest in respect to a Member's required contributions to the Plan shall be calculated on the basis of the yields of five-year personal fixed term chartered bank deposit rates, as determined from CANSIM B14045, published monthly in the Bank of Canada Review, averaged over a reasonably recent period, such averaging period not to exceed twelve (12) months;

Interest shall be credited at the end of each Plan Year. The method of crediting interest for each Plan Year shall be as follows:

- (a) In respect of a Member's required contributions, together with Credited Interest, outstanding at January 1 of that Plan Year, the full applicable rate of interest described above; and
- (b) In respect of a Member's required contributions made during that Plan Year, one half of the applicable interest rate described above, multiplied by the fraction of the year (in completed months) during which the contributions were made during such Plan Year and to amortize any initial unfunded liability or experience deficiency in accordance with the requirements of the Pension Benefits Act, after taking into account the assets of the Pension Fund, the earnings thereon, the contribution of Members during the year and all other relevant factors.

2.06 "Credited Past Service" shall mean the number of complete years (with complete months computed as twelfths of a year) of a Member's Continuous Service prior to January 1st, 1979 but excluding the first six (6) months of Continuous Service and all service rendered prior to the Member's attainment of age 21.

2.07 "Earnings" shall mean compensation received from the Company as an employee and shall include all taxable income which must be included in computing a Statement of Remuneration Paid (D.N.R. Form T4) for that employee.

2.08 "Employee" shall mean any person regularly employed by the Company on a full-time or part-time basis who is represented by the Union.

2.09 "Member" shall mean an eligible employee who has completed the enrollment forms provided by the Company and who continues to be entitled to rights and benefits under the Plan.

2.10 "Inflation Adjustment Factor" shall mean:

- (a) for Section 7.05 as determined for January 1, 1990 and each subsequent January 1st:
 - (i) 75% of the percentage change in the Consumer Price Index during the twelve (12) month period ending on the determination date up to a maximum of a 10% increase in the CPI, less one per cent (1%);

(b) for Section 7.06 as determined for January 1, 1991 and each subsequent January 1st;

(i) 75% of the percentage change in the Consumer Price Index during the twelve (12) month period ending on the determination date up to a maximum of a 10% increase in the CPI, less one per cent (1%).

2.11 "Normal Retirement Date" shall have the meaning set out in Section 5 hereof.

2.12 "Participatory Service" shall mean the number of complete years (with complete months computed as twelfths of a year) of a Member's continuous participation in the Plan prior to January 1st, 1979. In computing Participatory Service, the date upon which the Member's contributions first became payable in his most recent period of participation shall be taken as the beginning of Participatory Service.

2.13 "Past Service Earnings" shall mean the total remuneration received by the Member from the Company as reported on the Statement of Remuneration Paid (T4) issued by the Company for the calendar year 1978, provided that for a Member with a period of disability and/or leave of absence in the calendar year 1978, such remuneration shall be taken as the greater of: -

(a) (i) the total remuneration received by the Member from the Company as reported on the Statement of Remuneration Paid (T4) issued by the Company for the calendar year 1977;

plus

(ii) the total obtained if the amounts the Member received in the calendar year 1977 from Workers' Compensation, the Company's Weekly Indemnity Plan and the Company's Long-term Disability Insurance Plan are added together; provided however, that if such total is less than \$500.00, it shall be taken as zero;

and

(b) the sum of

(i) the total remuneration received by the Member from the Company as reported on the Statement of Remuneration Paid (T4) issued by the Company for the calendar year 1978;

plus

(ii) the total obtained if the amount the Member received in the calendar year 1978 from Workers' Compensation, the Company's Weekly Indemnity Plan and the Company's Long-term Disability Insurance Plan are added together; provided however, that if such total is less than \$500.00, it shall be taken as zero.

2.14 "Pension Benefits Act" shall mean The Pension Benefits Act of Ontario and regulations thereunder as amended from time to time.

2.15 "Pension Fund" shall mean the assets of the Plan which are held, administered and invested by the Trustee.

2.16 "Plan" shall mean:

(i) for the period prior to May 1st, 1972, the Pension Plan established by the Company on May 1st, 1946, as amended to April 30th, 1972 and evidenced by the terms and conditions thereof substantially presented in the booklet (revised and re-issued May 1967) distributed to Members;

and

(ii) for the period on and after May 1st, 1972.

2.17 "Plan Year" shall have the same meaning as in the Plan. At the effective date of this Agreement, a Plan Year means the twelve (12) month period commencing January 1st each year and ending December 31st of that year.

2.18 "Spouse" shall mean, at the date a determination of marital status is required, a person of the opposite sex to the Member:

(a) to whom the Member is legally married, and from whom the Member is not living separate and apart; or

(b) with whom the Member has been living in a conjugal relationship for a continuous period of at least three (3) years; or

(c) with whom the Member has been living in a relationship of some permanence, if they are natural or adoptive parents of a child, both as defined in the Family Law Act, 1986 of Ontario, except that if the above definition differs from the definition of "Spouse" in any other Applicable Legislation, such other definition shall take precedence, where applicable.

If a Member is survived by both a legal Spouse and a common-law Spouse, the term "Spouse" shall mean the legal spouse, unless the Member has designated his common-law Spouse by name as his Beneficiary, on a designation form filed with the Company, in which event the term "Spouse" shall mean the named common-law Spouse.

2.19 "Year's Maximum Pensionable Earnings" or "YMPE" shall mean the Year's Maximum Pensionable Earnings as defined each year under the Canada Pension Plan, as amended from time to time. This shall also be known as "Canada Pension Plan Ceiling".

SECTION 3 - GOVERNMENT APPROVAL

3.01 The Company's obligation to provide the benefits herein provided is subject to the requirement that acceptance by the Minister of National Revenue of the Plan and any amendments thereto as a "Registered Pension Fund or Plan" as defined in the Income Tax Act, entitling the Company to deduct its contributions hereto under the Income Tax Act or any other applicable tax laws in Canada (as such laws are now in effect or are hereafter amended or enacted) is obtained and that such acceptance is continued thereafter. The obligation to provide the benefits as herein provided is subject also to the requirement that the Plan is accepted for registration under all applicable laws now or hereafter enacted and that such acceptance and registration is continued thereafter. The Company shall submit the Plan and any amendments thereto and such reporting information in connection

therewith as may be required for the purpose of obtaining such acceptance and registration.

3.02 In the event that any change in the Plan is necessary to obtain such acceptance and continued registration, a corresponding revision shall be made in this Agreement. Provided however, that such a change in the Agreement shall be a matter for further negotiations between the parties. In negotiating any such revision, the parties shall adhere as closely as possible to the intent of the Company and the Union as expressed in this Agreement.

SECTION 4 - ELIGIBILITY

4.01 Each full-time employee in the service of the Company on May 1st, 1972, who was a Member of the Plan as it existed on April 30th, 1972, will automatically continue as a Member of the Plan on May 1st, 1972.

4.02 A full-time employee in the service of the Company on April 30th, 1972, who was not then a Member shall be required, as a condition of employment, to become such on the first day of the month next following the later of: -

(a) the date he would have been required to become a member pursuant to the provisions of the Plan as constituted on April 30th, 1972;

and

(b) the date upon which he has completed six (6) months of Continuous Service.

4.03 Each full-time employee who commences employment on or after May 1st, 1972 shall be required to join the Plan as a condition of employment on the first day of the month coincident with or immediately following completion of six (6) months of Continuous Service provided he has not then attained his Normal Retirement Date.

4.04 Full-time employees who commence employment on or after October 16, 1988 will be required to join the Plan as a condition of employment on the first day of the month coincident with or immediately following completion of one (1) year of service, provided they have not attained normal retirement date.

4.05 Part-time employees who have either 700 hours worked in each of two consecutive calendar years or have earned 35% of the YMPE after December 31, 1985 are eligible to join the pension plan any time after January 1, 1988, provided they have not attained their normal retirement age or have elected early retirement.

4.06 If an employee's Continuous Service is broken and they are later re-employed, they shall, for the purposes of this Plan, be regarded as a new employee who has not had previous service with the Company except with respect to any vested benefits which he may have to his credit in the Plan for their previous service.

4.07 Each eligible employee and each Member of the Plan shall be provided with a written explanation of the terms and conditions of the Plan and amendments thereto applicable to them together with an explanation of their rights and duties with respect to the benefits available to them under the Plan and any other

information required to be furnished to them under any applicable Pension Legislation.

SECTION 5 - RETIREMENT DATE

5.01 The Normal Retirement Date for a Member will be the first day of the month next following attainment of age 65.

5.02 A Member who is within ten (10) years of Normal Retirement Date may retire prior to his Normal Retirement Date and shall be entitled to receive the benefits prescribed by Section 7.02 hereof.

5.03 Notwithstanding the provisions of Section 5.02 above, a Member who was a participant in the Plan prior to May 1st, 1972 and who accrued, prior to that date, retirement benefits which were payable in an unreduced form in the event of retirement at age 60, may elect to retire under the conditions specified in Section 5.02 above except that "ten (10) years" shall be read as "fifteen (15) years".

SECTION 6 - CONTRIBUTIONS

6.01 Member Contributions

Subject to an election pursuant to Section 6.02 hereof, each Member shall contribute, by payroll deduction, from his date of enrollment to his date of retirement or to such earlier date as his Continuous Service shall be broken, a percentage of his Earnings in each Plan Year as shown in the table set out in Section 6.06, less the amount that the Company must withhold from such Earnings in respect of contributions to the Canada or Quebec Pension Plan.

6.02 A Member, who was such on April 30th, 1972 and who elected in 1966 not to contribute on a basis whereby his subsequent contributions to the Plan would be offset by an amount approximating his contributions to the Canada or Quebec Pension Plan, may elect to contribute, by payroll deduction, a percentage of his Earnings in each Plan Year as shown in the table set out in Section 6.06. In the event such a Member elects to contribute pursuant to Section 6.01 above, he shall not be entitled, thereafter, to elect to contribute pursuant to this Section 6.02.

6.03 A member who is not in receipt of Earnings shall not be required or permitted to contribute to the Plan during such period. Provided however, that a Member who has been absent from work and in receipt of short-term sickness or accident benefits or on authorized leave of absence without pay may elect to repay what their contributions would have been during such period, provided that they are repaid by the end of the calendar year immediately following the calendar year in which the absence occurs.

6.04 The Company shall contribute to the Pension Fund in each Plan Year, at such intervals and within such periods of time as prescribed by the Pension Benefits Act, such amounts as prescribed by the Actuary, as are necessary to provide the pension benefits accruing to Members during such Plan Year and to amortize any initial unfunded liability or experience deficiency in accordance with the requirements of the Pension Benefits Act, after taking into account the assets of the Pension Fund, the earnings thereon, the contribution of Members during the year and all other relevant factors.

6.05 Notwithstanding Sections 6.01, 6.02 and 6.03, Members shall not be required or permitted to contribute in respect of Plan Years 1984 - 1989.

<u>Plan Year</u>	<u>Rate</u>
Prior to 1981	5%
1981	3%
1982	2-1/2%
1983	2%
1984 - 1989	NIL
1990	1/2%
1991	1%

6.07 Members will continue to contribute to the Canada or Quebec Pension Plan as required.

SECTION 7 - AMOUNT OF PENSION

7.01 Each Member who retires at their Normal Retirement Date shall receive a Pension, commencing on their Retirement Date and payable in equal monthly installments. Each monthly installment shall be equal to one-twelfth (1/12) of the sum of the following (as may be applicable): -

- (a) 35% of the amount described in (i) or (ii) as applicable;
 - (i) for members contributing pursuant to Section 6.02 at August 5th, 1980, the amount shall be five percent (5%) of the Member's Earnings for each Plan Year after December 31st, 1978 to his date of retirement or to such earlier date as his Continuous Service shall be broken;
 - (ii) for all other Members the amount shall be five percent (5%) of the Member's Earnings for each Plan Year after December 31st, 1978 or his date of enrollment if later, less the amount the Company must withhold from such Earnings in respect to contributions to the Canada or Quebec Pension Plan, to December 31, 1988;
 - (iii) for all members the amount shall be 1.25% of the Canada Pension Plan Ceiling plus 1.75% of the member's earnings over the Canada Pension Plan Ceiling in each year of Continuous service after December 31, 1988 to their date of retirement or to such earlier date as their continuous service shall be broken.

plus

(b) the annual Pension accrued prior to May 1st, 1972 by virtue of the Member's additional voluntary contributions prior to that date pursuant to the provisions of the Plan as constituted on April 30th, 1972;

plus

(c) if, having not elected prior to February 1st, 1973 to contribute pursuant to Section 6.01 hereof with effect from January 1st, 1973, the Member makes contributions pursuant to Section 6.02 hereof, an amount equal to 1.67% of the Member's Past Service Earnings multiplied by his Participatory Service;

plus

(d) if the Member is required or elects prior to February 1st, 1973, to contribute pursuant to Section 6.01 hereof on and after January 1st, 1973 an amount equal to the sum of the following: -

- (i) 1.25% of that part of the Member's Past Service Earnings which does not exceed \$10,400.00, multiplied by their Credited Past Service;
- (ii) 1.75% of that part of the Member's Past Service Earnings which exceeds \$10,400.00, multiplied by their Credited Past Service;
- (iii) if the Member elected in 1966 not to contribute on a basis whereby his subsequent contributions to the Plan would be offset by an amount approximating his contributions to the Canada or Quebec Pension Plan, an amount of \$164.00.

(e) the Annual Pension accrued pursuant to Section 7.03 hereof;

plus

(f) the result obtained, if positive, when the amount in (c) or (d) is subtracted from the Pension benefits the Member accrued pursuant to the provisions of the Plan prior to August 5th, 1980 in respect of their service, and required contributions to the Plan prior to August 5th, 1980. In computing these previously accrued Pension benefits, any amount which was payable in an unreduced form on retirement at age 60 shall be actuarially increased to its equivalent assuming retirement at age 65 prior to making the subtraction required by the immediately preceding sentence of this paragraph (f).

7.02 A Member who retires on or before December 31st, 1976 and prior to their Normal Retirement Date in accordance with Section 5.02 hereof shall be entitled to elect either: -

(a) a deferred retirement income with payments commencing on their Normal Retirement Date equal to the Pension accrued pursuant to Section 7.01 above to his Early Retirement Date

or

(b) an immediate retirement income in the same amount as determined in Section 7.02 (a) but reduced by one-half of one percent (1/2 of 1%) for each complete month that such early retirement precedes their Normal Retirement Date.

A Member who retires prior to December 31st, 1980 but after December 31st, 1976 and prior to their Normal Retirement Date in accordance with Section 5.02 hereof shall be entitled to elect either:

(a) a deferred retirement income with payments commencing on their Normal Retirement Date equal to the Pension accrued pursuant to Section 7.01 above to their Early Retirement Date;

or

(b) an immediate retirement income in the same amount as determined in Section 7.02 (a) but reduced one-quarter of one percent (1/4 of 1%) for each complete month that such early retirement precedes the first day of the month next following the Member's attainment of age 63.

A Member who retires after December 31st, 1980 and prior to their Normal Retirement Date in accordance with Section 5.02 hereof shall be entitled to elect either:

(a) a deferred retirement income with payments commencing on his Normal Retirement Date equal to the Pension accrued pursuant to Section 7.01 above to their Early Retirement Date;

or

(b) an immediate retirement income in the same amount as determined in Section 7.02 (a) but reduced by one quarter of one percent (1/4 of 1%) for each complete month that such early retirement precedes the first day of the month next following the Member's attainment of age 62.

Notwithstanding Section 7.02 (b) above, a Member who retires after December 31st, 1980 and prior to their Normal Retirement Date and has both attained the age of 55 and completed 30 years of Continuous Service to such early retirement date may elect to receive an immediate retirement income in the same amount as determined in Section 7.02 (a) above.

Notwithstanding any other provisions of this Section 7.02, the cost of the retirement benefit under this Plan, exclusive of benefit purchased with Member's voluntary contributions, payable pursuant to this Section 7.02 shall not exceed the cost of a maximum retirement benefit, as specified in Section 7.04 hereof, payable at age 60 as a single life annuity guaranteed for ten (10) years.

7.03 A Member who becomes disabled after May 1st, 1976 shall accrue Pension benefits from the onset of such disability if he received benefits under the Company's Long-term Disability Insurance programme that result from such disability. He shall continue to accrue Pension benefits during such period as they are in receipt of benefits under the Company's Long Term Disability programme (excluding any period of rehabilitation wherein he receives earnings from the Company).

(a) The rate of accrual for the Plan Year in which the Member becomes disabled will be based on the amount of Pension that would have accrued during that year had the disability not occurred, as is estimated by the Actuary using the Member's rate of Earnings in effect at the date the disability occurred, less the Pension accrued by the Member for the Plan Year pursuant to Section 7.01 (a) hereof;

(b) The rate of accrual for each subsequent Plan Year (with parts hereof used to compute a partial benefit) during the continuance of such disability benefits will be based on the amount of Pension accrued to the Member's credit in the Plan Year in which they became disabled.

7.04 Notwithstanding any other provision of this Agreement, in no event shall the annual retirement benefit payable under this Plan, exclusive of the benefit purchased with Members' voluntary contributions, in respect of the retirement or termination of service of a Member or termination of this Plan exceed

(a) the lesser of:

(i) 2% of the average of the Member's best three (3) consecutive years of remuneration from the Company for each year of pensionable service, to a maximum of 35 years;

and

- (ii) \$1,715.00 multiplied by the Member's years of pensionable service with the Company not exceeding 35 years;

or

(b) such other maximum benefit as may be specified under the administrative rules of the Department of National Revenue pertaining to the registration of Employees' Pension Plans, as they may be amended or replaced from time to time.

However, such maximum benefit shall not apply to Annual Pensions of 2% of current YMPE or less per year of service.

7.05 "Cost of Living Increases" - Effective January 1, 1990 on each January 1st following the later of the commencement of a pension and age 65, as long as the pension continues to be paid to the Member, Spouse or beneficiary, as applicable, the portion of that pension earned in respect of service from January 1, 1990 shall be adjusted on a percentage basis by the Inflation Adjustment Factor described in Section 2.10(a).

7.06 "Active Benefit Indexation" - Effective January 1, 1991 on each January 1st until the later of commencement of a pension and age 65, the pension earned by active members as at the previous January 1 shall be adjusted on a percentage basis by the Inflation Adjustment Factor described in Section 2.10(b).

SECTION 8 - COMMENCEMENT AND DURATION OF RETIREMENT BENEFITS

8.01 Pensions shall be payable to a Member as of their Normal Retirement Date, shall in no event be payable with respect to any prior month, and shall be payable on the first of each month thereafter during the life of such Member, ceasing with the last payment to which they were entitled immediately prior to their date of death and subject to Section 10, and any election made under Section 12.02.

8.02 Notwithstanding Section 8.01 above, the Pension for a Member electing to receive a Pension prior to their Normal Retirement Date pursuant to Section 7.02 (b) hereof, shall commence on the later of: -

- (a) the first day of the month next following the date of the Member's written application for Early Retirement;

or

- (b) the first day of the month coincident with or next following the Early Retirement Date requested in the Member's written application.

8.03 Notwithstanding any other provisions of this Agreement, a retired Member who is in receipt of a Pension under the Plan will continue to receive such Pension if they return to active service with the Company. In all other respects they shall be considered an employee of the Company.

SECTION 9 - TERMINATION OF EMPLOYMENT

Benefit for Service Prior to January 1, 1987

9.01 If a Member's continuous service is broken other than as a result of their death or retirement, their membership in the Plan will cease and they will

receive in a lump sum a refund of the sum of: -

- (a) their contributions on and after May 1st, 1972 and prior to January 1, 1987 with Credited Interest;

plus

- (b) the sum of
 - (i) contributions made to the Plan by the Member prior to May 1st, 1972;
 - (ii) interest credited to those contributions prior to May 1st, 1972 pursuant to the provisions of the Plan as constituted from time to time prior to that date;
 - (iii) Credited Interest on the sum of (a) and (b) computed from May 1st, 1972.

Such refund shall be in lieu of any other benefits accrued under the Plan in respect of Continuous Service prior to January 1, 1987.

9.02 If at the date of the break in his Continuous Service as set out in Section 9.01 above, the Member has completed five (5) or more years of Continuous Service, they may elect the refund as in the preceding paragraph or they may elect to leave their contributions in the Plan and receive as a deferred Pension commencing at Normal Retirement Date 100% of the Pension accrued under the Plan pursuant to Section 7.01 hereof for Continuous Service prior to January 1, 1987.

9.03 Notwithstanding the foregoing, the Member shall not in any case receive a smaller amount of deferred vested Pension than could be provided by the refund specified by Section 9.01 above.

9.04 In the event there is a break in the Continuous Service of a Member which would entitle them to a cash refund pursuant to Section 9.01 above and they have attained age 45 and have completed ten (10) or more years of Continuous Service, they shall not be entitled to the refund of their required contributions made after January 1st, 1965 and shall receive, in lieu thereof, a deferred Pension commencing at their Normal Retirement Date equal to the Pension accrued to their credit to January 1, 1987 pursuant to Section 7.01 hereof which is in excess of the Pension accrued prior to January 1st, 1965 under the Plan as constituted on that date. Such deferred Pension shall not be subject to surrender or commutation.

9.05 Benefit for Service On or After January 1, 1987

(a) Before completion of two (2) years of Plan Membership. If a member terminates his employment with the Company by reason other than retirement, death or disability before the completion of two years of Plan membership, he shall be entitled to receive a lump sum of his contributions made to the Plan on or after January 1, 1989, if any, with credited interest thereon;

(b) After completion of two (2) years of Plan Membership. If a member terminates his employment with the Company by reason other than retirement, death or disability after the completion of two years of Plan membership, he shall be fully vested and entitled to receive deferred pension commencing at his normal retirement date, calculated in accordance with section 7.01 in respect of his years of

continuous service while a Plan Member on and after January 1, 1987.

9.06 Portability

In lieu of the Pension accrued under Sections 9.02, 9.04 and 9.05, a terminated Member may elect to transfer the commuted value of such Pension to:

- (a) another pension plan in which the Member is a member or former member, provided the terms of the other pension plan permit such a transfer;
- (b) the Member's eligible prescribed (locked-in) retirement savings arrangement;
- (c) an insurance company licensed to transact business in Canada, for the purchase of an immediate or deferred life annuity.

Such transfer shall not be made until the financial institution receiving such funds agrees to administer the funds on a locked-in basis, in accordance with the Pension Benefits Act, 1987 regarding such locked-in amounts, and subject to the regulations thereunder limiting such transfers when the solvency of the Plan may be impaired. The commuted value shall be calculated in the manner prescribed under the Pension Benefits Act.

9.07 Notwithstanding the foregoing, any former Member who has terminated employment other than by reason of death, retirement or disability, and who is entitled under the terms of the Plan to a deferred pension commencing at his Normal Retirement Date, may elect to commence payment of the pension at any time within ten (10) years of his Normal Retirement Date, in which event the pension payable shall be the actuarial equivalent of the pension that would otherwise be payable at his Normal Retirement Date.

9.08 Notwithstanding any provision of section 9, a member whose continuous service is broken after the date on which they are eligible for an unreduced early retirement from the Plan may not elect a lump sum refund of their contributions to the Plan but must receive an immediate or deferred pension accrued to the date of the break in the continuous service.

SECTION 10 - BENEFITS ON DEATH

10.01 If a Member should die prior to their Normal Retirement Date, or their Early Retirement Date if such was elected, his Designated Beneficiary will receive a refund of the sum of:

- (a) their contributions on and after May 1st, 1972 and prior to January 1, 1987 with Credited Interest;
- plus
- (b) the sum of:
 - (i) contributions made to the Plan by the Member prior to May 1st, 1972;
 - (ii) interest credited to those contributions prior to May 1st, 1972 pursuant to the provisions of the Plan as constituted from time to time prior to that date;
 - (iii) Credited Interest on the sum of (a) and (b) computed from May 1st, 1972.

10.02 If a Member, who has terminated employment and, prior to January 1, 1987, elected or was required to leave all or a portion of their contributions in the Plan pursuant to Section 9 hereof, should die prior to their Normal Retirement Date, their Designated Beneficiary shall receive whichever of the following amounts is applicable:

(a) if the Member did not receive a refund of any contributions, the amount provided in Section 10.01 above; or

(b) if the Member received a refund of contributions, the Member's death benefit pursuant to Section 10.01 above in the records of the Plan at their date of termination less the amount of any refund they received at that time and the result accumulated with Credited Interest to their date of death.

10.03 For service on and after January 1, 1987.

(a) Before completion of two (2) years of Plan membership. If a Member dies while in the service of the Company prior to their retirement date and before they have completed two (2) years of Plan membership, their Beneficiary will receive a refund of the Member's contributions made to the Plan on and after January 1, 1987, if any, with credited interest thereon.

(b) After completion of two (2) years of Plan membership. If a Member dies while in the service of the Company before his Retirement Date and has completed two (2) years of Plan membership at the date of his death, or if a Member dies following his termination of employment but prior to the commencement of any deferred pension payable under the Plan;

(i) the Member's Spouse or, in the absence of a surviving Spouse, the Member's beneficiary, shall be entitled to receive a lump sum amount equal to the commuted value of the Member's deferred pension entitlement, calculated in accordance with Section 7.01 in respect of his service on and after January 1, 1987, and determined immediately prior to his death;

(ii) the Member's Spouse may elect, in lieu of the lump sum amount payable under paragraph (i), to receive an immediate or deferred pension payable on or before the surviving Spouse attains age sixty-five (65), the commuted value of which is equal to the lump sum amount to which the surviving Spouse would be entitled under paragraph (i) above.

The Member's surviving spouse, if any, must elect in the period of time described under the Pension Benefit Act to receive either a lump sum amount or an immediate or deferred pension. If the Spouse fails to elect within the prescribed period of time, the Spouse shall be deemed to have elected to receive a deferred pension under paragraph (ii).

A Member and his Spouse may jointly waive the spousal entitlement under this Section in a form prescribed under the Pension Benefits Act, in which event the death benefit shall be payable to the Member's beneficiary in accordance with paragraph (i) above.

Notwithstanding the foregoing, a Spouse who is living separate and apart from the Member at the date of the Member's death shall not be entitled to the benefit payable under this Section, unless such Spouse is the Member's designated beneficiary.

10.04 Death after Retirement

If a Member should die after they have retired the remainder of the form of Pension elected in accordance with Section 12 hereof shall be paid to the Spouse or Designated Beneficiary.

SECTION 11 - DESIGNATED BENEFICIARY

11.01 A Member may, by written notice communicated to the Company during such Member's lifetime, designate a person to receive the benefits payable under the Plan on their death and may also by written notice communicated to the Company during such Member's lifetime alter or revoke such designation from time to time, subject always to the provisions of any annuity, insurance or other contract or law governing designation of beneficiary from time to time in force which may apply to such Member. Such written notice shall be in such form and shall be executed in such manner as the Company in its discretion may from time to time determine.

11.02 In the instance where the beneficiary of a deceased Member is the spouse the Member may elect or, in default of such election, after their death the spouse may elect that settlement of the death benefits under Sections 10.01 and 10.02 of the Plan hereof be made in any one of the following ways: -

(a) in the form of a Life Annuity, with or without a guaranteed period providing that such guaranteed period shall not exceed the lesser of fifteen (15) years and the period from date of death of the Member to the day before the date on which the spouse's 86th birthday would occur;

(b) in the form of a deferred Life Annuity starting before the spouse attains age 65, with or without a guaranteed period provided that such guaranteed period shall not exceed the lesser of fifteen (15) years and the period from the date of death of the Member to the day before the date on which the spouse's 86th birthday would occur;

(c) in a lump sum.

If however, the beneficiary is other than the Member's spouse, the death benefit shall be paid to the person so designated in the form of a lump sum.

11.03 If, on the death of a Member, there should be no Designated Beneficiary, or if the person designated by the Member as his beneficiary shall not be living, such sums as may be payable on or after his death shall be payable to the estate of such Member.

SECTION 12 - OPTIONAL TYPES OF PENSION

12.01 (a) Normal Form for Members without Spouses

The normal type of pension under the Plan for a Member without a Spouse at the date at which payment of their pension benefits commence, or for a Member who

has a Spouse from whom they are living separate and apart at that date, is one payable for the entire lifetime of the retired Member and guaranteed for 60 months in any event.

(b) Normal Form for Members with Spouses

The normal type of pension under the Plan payable to a Member who has a Spouse from whom they are not living separate or apart at the date on which payment of their pension benefits commence is a joint and survivor form of pension which is payable for the entire lifetime of the retired Member and which, following the Member's death, continues to their Spouse, if surviving, in an amount equal to sixty (60%) per cent of the benefit payable to the Member immediately prior to their death, and payment of which shall continue for the entire lifetime of the surviving Spouse. The initial amount of such benefit shall be reduced in order to make the actuarial value of the joint and survivor benefit equal to the actuarial value of the regular benefit payable in accordance with Section 12.01 (a).

The Member and the Member's Spouse may jointly waive the requirements of this Section 12.01 (b) by completing and delivering to the Company a written waiver in the form prescribed by the Pension Benefits Act within the twelve (12) month period immediately prior to the date upon which payment of that pension benefit is to commence, provided that this waiver is not revoked by either the Member or their Spouse prior to the commencement of the pension. Benefits shall then be payable in accordance with Section 12.01(a) or 12.02, as applicable.

12.02 Each Member may elect to receive, in lieu of the normal Pension, an optional form of Pension in an actuarially equivalent amount to 12.01(a) above, provided such election, in writing, is filed with the Company at least thirty (30) days prior to the Member's date of retirement. No election will be permitted which would result in a guaranteed period exceeding the Member's normal life expectancy. The optional types of Pension which are available to all Members are as follows: -

(a) Life - Ceasing at Death

While the amount of Pension under this option is greater than that payable under any other option, payments of Pension cease with the payment immediately preceding the Member's death, regardless of the number of payments they have received.

(b) Life - Guaranteed 60 Months

This type of Pension provides payments for the entire lifetime of the retired Member and guarantees that, should the Member die after their Pension has commenced but before they have received sixty (60) monthly payments thereof, the payments shall be continued to their Designated Beneficiary or estate until sixty (60) payments in all shall have been made.

(c) Life - Guaranteed 120 Months

This type of Pension provides payments for the entire lifetime of the retired Member and guarantees that, should the Member die after their Pension has commenced but before they have received one hundred and twenty (120) monthly payments thereof, the payments shall be continued to their Designated Beneficiary or estate until one hundred and twenty (120) payments in all shall have been made.

(d) Life - Guaranteed 180 Months

This type of Pension provides payments for the entire lifetime of the retired Member and guarantees that, should the Member die after their Pension has commenced but before they have received one hundred and eighty (180) monthly payments thereof, the payments shall be continued to their Designated Beneficiary or estate until one hundred and eighty (180) monthly payments in all shall have been made. This option is not available to Members retiring after Normal Retirement Date.

(e) Joint and Survivorship Pension

A Member who desires to have his Pension continue for the lifetime of a joint annuitant, may elect one of the following joint and survivorship Pensions:

- (i) a joint and survivorship Pension which shall continue in the same amount as had been received by the Member prior to the date of their death;
- (ii) a joint and survivorship Pension which shall reduce to sixty (60%) per cent of the amount that had been received by the Member prior to the date of their death.

The amount of the adjusted Pension depends on the specified option chosen, the age of the Member at retirement and the age and sex of the joint annuitant.

The election under this sub-section may be canceled upon notification from the Member more than thirty (30) days prior to his retirement date or if the joint annuitant dies prior to the Member's retirement. In the case of the death of the joint annuitant before the Member retires under the Plan, the Pension will become payable at the Retirement Date of the Member as if this option had not been elected. In such case, the Member may make another election under the terms of this Section 12.

(f) Pension Integrated with Government Pensions

Any Member who retires before he is eligible to receive benefits under the Canada or Quebec Pension Plan and Old Age Security Act, may elect to receive their Pension under the Plan paid in a greater amount to the date on which they become eligible for such statutory benefits, then decreasing to a lesser amount thereafter so as to provide, as far as practicable, a level income after retirement date through the integration of Pension benefits under this Plan with those payable under the Old Age Security Act, and the Canada or Quebec Pension Plan, as amended to date of retirement. For married members this benefit would also provide for joint and survivorship sixty (60%) per cent.

12.03 The Group Annuity Table for 1983 with an interest rate of eight (8%) per cent shall be used in computing actuarially equivalent benefits pursuant to Section 12.02 hereof.

SECTION 13 - GENERAL PROVISIONS

13.01 No payment of Pension benefits shall commence until the Member has filed satisfactory proof of age with the Company. A Member who has named a joint annuitant shall also be required to provide satisfactory proof of age for such joint annuitant.

13.02 If the amount of the retirement income or deferred retirement income payable to the participant is less than two (2%) per cent of the YMPE in the year of termination or retirement, or such other amount as may be permitted in accordance with the Pension Benefits Act from time to time, the participant may receive a lump sum payment equal to the amount required to provide such benefit or the actuarial equivalent thereof quarterly, semi-annual or annual payments, at the sole discretion of the Company.

13.03 Nothing in this Agreement shall be taken to mean that any change will be made in benefits paid or in the process of payment to employees (or their heirs and assigns) who terminated, died or retired on or before December 1st, 1973.

13.04 Benefits under the Plan shall not be subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge or to attachment or legal process for debts of the person receiving such benefits.

13.05 The Company shall provide the Union with the following in respect of employees who are Members: -

(a) information as to sex, date of birth, date of employment, classification;

and

(b) pension, death and termination benefits accrued to the Plan Year End immediately preceding any termination date of the Collective Agreement between the parties to this Agreement;

(c) the contribution information contained in the Annual Information Return prepared each year pursuant to the Pension Benefits Act.

APPENDIX "F"

NO FRILLS STORES - FULL-TIME EMPLOYEES

All matters relative to No Frills full-time employees shall be contained in this Appendix and those Articles of the Agreement so designated hereinafter.

ARTICLE 1 - RECOGNITION

The provisions of paragraphs 1.01, 1.02, 1.03, 1.04 (b), (c) and (d) of this Agreement affect all employees covered by this Appendix.

1.04 (a) The Company agrees that employees who are not members of the bargaining unit, other than No Frills Managers and Regional Cashier Specialists, will not perform bargaining unit work except during the one (1) week prior to and the three (3) weeks subsequent to the re-opening week of a refurbished store and the opening week of a new store, unless prior arrangements have been made between the Company and the Union Office, a Union Field Representative or a Divisional Union Officer. Such employees of the Company shall restrict activities considered to be bargaining unit work as outlined above, except for the purpose of instruction, the checking of codes, the checking for rotation and the checking of culling of product.

It is further understood that the Regional Cashier Specialist shall restrict her activities to Office Cash related work.

ARTICLE 2 - SENIORITY

The provisions of paragraphs 2.01, 2.02, 2.03, 2.04 (a), (c), (d) and (e), 2.05, 2.06, 2.07, 2.08, 2.09, 2.10, 2.11, 2.12 and 2.13 of this Agreement affect all employees covered by this Appendix.

2.04 (b) Employees shall acquire and exercise seniority in job classifications within the Seniority Divisions as set out in Appendix "B" of this Agreement. In matters of lay-offs, recalls after lay-offs and demotions, seniority shall be exercised on the basis of seniority in the Grocery-Produce Department and job classifications as above. Where an obvious imbalance in staff exists, the Union and the Company agree to discuss the problem.

ARTICLE 3 - HOURS OF WORK AND OVERTIME

The provisions of paragraphs 3.01, 3.02, 3.03, 3.04, 3.05 (a) and (b), 3.06, 3.07, 3.08, 3.09, 3.10, 3.12, 3.13 and 3.14 of this Agreement affect all employees covered by this Appendix.

3.05 (c) The Company agrees that each employee will be given two (2) consecutive days off each week (i.e., Sunday and Monday), except in a week in which a legal holiday occurs Tuesday through Saturday.

3.12 Employees may be required to commence their shift at 8:00 a.m. (6:00 a.m. by mutual agreement between the Company and the employee) or to conclude their shifts one-half (1/2) hour after normal store closing time.

ARTICLE 4 - NOTICE OF ABSENCE AND LEAVE OF ABSENCE

The provisions of Article 4 of this Agreement affect all employees covered by this Appendix.

ARTICLE 5 - CALL-TIME

The provisions of Article 5 of this Agreement affect all employees covered by this Appendix.

ARTICLE 6 - LEGAL HOLIDAYS

The provisions of paragraphs 6.01, 6.02 (c) and (d), 6.03, 6.04, 6.05 and 6.06 of this Agreement affect all employees covered by this Appendix.

6.02 (a) When a holiday as defined above occurs in any week, employees will work a five (5) day - 37-hour week and shall be paid six (6) days' pay (45 hours) at the standard rate of pay unless the store is closed on Monday, in a week in which a legal holiday as defined above occurs Tuesday through Saturday, when employees will work a four (4) day - 29-hour week and shall be paid five (5) days' pay (37 hours) at the standard rate of pay.

(b) When two (2) holidays as defined above occur in any week, employees will work a four (4) day - 29-hour week and shall be paid six (6) days' pay (45) hours at the standard rate of pay, unless the store is closed on Monday in a week in which a legal holiday as defined above occurs Tuesday through Saturday, when employees will work a three (3) day - 21-hour week and shall be paid five (5) days' pay (37 hours) at the standard rate of pay.

ARTICLE 7 - VACATIONS

The provisions of Article 7 of this Agreement affect all employees covered by this Appendix.

ARTICLE 8 - WELFARE, INSURANCE AND PENSION BENEFITS

The provisions of Article 8 of this Agreement affect all employees covered by this Appendix.

ARTICLE 9 - WAGES AND JOB CLASSIFICATIONS

The provisions of paragraphs 9.01, 9.02 (a), 9.03, 9.04, 9.05, 9.06, 9.07 and 9.08 of this Agreement affect all employees covered by this Appendix.

9.02 (b) It is agreed that no key positions other than an Assistant Store Manager, a Head Checker and a Produce Manager will be required in a No Frills store. In a No Frills store which has a Bakery Department, it shall be staffed with only a Bakery Department Manager.

(c) The Company agrees that there shall be a Second Produce Manager in their respective Volume #5 No Frills stores.

The Second Produce Manager shall be referred to as a Volume #3 Produce Manager and shall be paid the Volume #3 Produce Manager rate.

ARTICLE 10 - JOB POSTING

The provisions of Article 10 of this Agreement affect all employees covered by this Appendix.

ARTICLE 11 - TEMPORARY ASSIGNMENTS

The provisions of paragraphs 11.01, 11.02 (a) and (c), 11.03, 11.04, 11.05 and 11.06 of this Agreement affect all employees covered by this Appendix.

11.02 (b) When posted positions are temporarily assigned, such relief work shall be done by full-time employees. In stores where full-time employees, who are capable of performing the relief work are not available, the Company will discuss the matter with the Union and permission of the Union to utilize part-time employees in these circumstances will not be unreasonably withheld.

ARTICLE 12 - UNION PRIVILEGES

The provisions of Article 12 of this Agreement affect all employees covered by this Appendix.

ARTICLE 13 - TRANSPORTATION

The provisions of Article 13 of this Agreement affect all employees covered by this Appendix.

ARTICLE 14 - ADJUSTMENT OF GRIEVANCES

The provisions of Article 14 of this Agreement affect all employees covered by this Appendix.

ARTICLE 15 - STRIKES AND LOCK-OUTS

The provisions of Article 15 of this Agreement affect all employees covered by this Appendix.

ARTICLE 16 - NOT TO BE UNLAWFUL

The provisions of Article 16 of this Agreement affect all employees covered by this Appendix.

ARTICLE 17 - NIGHT SHIFT

The provisions of Article 17 of this Agreement affect all employees covered by this Appendix.

ARTICLE 18 - USE OF PART-TIME HELP

The provisions of Article 18.02 and 18.03 of this Agreement affect all employees covered by this Appendix.

18.01 When posted positions are temporarily assigned, such relief work shall be done by full-time employees. In stores where full-time employees, who are capable of performing the relief work are not available, the Company will discuss the matter with the Union and permission of the Union to utilize part-time employees in these circumstances will not be unreasonably withheld.

ARTICLE 19 - FUNCTIONS OF MANAGEMENT

The provisions of Article 19 of this Agreement affect all employees covered by this Appendix.

ARTICLE 20 - BEREAVEMENT PAY

The provisions of Article 20 of this Agreement affect all employees covered by this Appendix.

ARTICLE 21 - JURY DUTY PAY

The provisions of Article 21 of this Agreement affect all employees covered by this Appendix.

ARTICLE 22 - SALES REPRESENTATIVES

The provisions of Article 22 of this Agreement affect all employees covered by this Appendix.

ARTICLE 23 - CHRISTMAS BONUS

The provisions of Article 23 of this Agreement affect all employees covered by this Appendix.

ARTICLE 24 - RETRO-ACTIVITY

The provisions of Article 24 of this Agreement affect all employees covered by this Appendix.

ARTICLE 25 - GENDER

The provisions of Article 25 of this Agreement affect all employees covered by this Appendix.

ARTICLE 26 - DURATION OF AGREEMENT

The provisions of Article 26 of this Agreement affect all employees covered by this Appendix.

APPENDIX "G"

NO FRILLS STORES - PART-TIME EMPLOYEES

1.01 (a) All matters relative to part-time employees and their working conditions shall be contained in this Appendix and Article 1; paragraphs 2.05 (h), 2.06, 2.11 (a) and (b), 3.03 (b), 3.05 (d), 4.03, 4.05, 9.02 (a), 9.05 ,10.07, 11.02 (a) and (b), Articles 12, 13, 14, 15, 16, 17.03 (b), 18.02, 18.03, 19, 21, 24, 25 and 26 of this Agreement. For the purpose of this Appendix, a part-time employee is an employee who is normally scheduled to work twenty-four (24) hours or less per week.

(b) The provisions of paragraphs 1.02, 1.03 (c), 1.04, 1.05 (b), and (c), 1.06, 1.07 (a), (b), (c) and (d), 1.08 , 1.09 (a), (b), (c), (d), (e), (f), (h), (i), (j) and (k), 1.10, 1.11, 1.12 (a) and (b), 1.13, 1.14, 1.15, 1.16, 1.17, 1.18, 1.19, 1.20, 1.21, 1.22, 1.23, 1.24 and 1.25 of Appendix "A" shall be applicable to all employees covered by this Appendix.

(c) The provisions of paragraph 18.01 of Appendix "F" shall be applicable to all employees covered by this Appendix.

1.03 (a) Employees shall obtain seniority on a store basis. The seniority list for employees shall be posted in each store and shall be kept up to date at all times.

1.05 (a) No employee shall be required to commence a shift sooner than 8:00 a.m. and shall not be required to work a split shift.

1.10 (g) For the four (4) weeks previous to and the two (2) weeks directly following the opening of a new store and the commencement date of promotional activities in a store which has been completely refurbished.

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

Re: ASSURANCE OF EMPLOYMENT

This is to amplify the Assurance of Employment provisions of Appendix "C" of the Collective Agreement expiring June 28, 2000.

Re: SECTION 2

In this Section it is noted that the number of full-time employees shall not be less in each Seniority Division than the number of Jobs in each Seniority Division set out below:

Toronto	1,058
London	59
Ottawa	279
Trenton	120
Ziggy Free-Standing	18
	<hr/>
TOTAL	1,534

It is understood that persons absent because of sickness, accident or compensation up to nine (9) months, and pregnancy leave, are included in the above mentioned number.

After nine (9) months, such persons will not be considered in the count for the purpose of maintaining the agreed upon number of Assured Jobs.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #2

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

In accordance with the agreement reached during our Contract negotiations, we wish to set out the following understandings which shall be effective for the lifetime of the Collective Agreement expiring June 28, 2000.

(1) **JOB POSTINGS**

The Union agrees that it will enter into discussions with the Company in order to resolve any problems relative to a single applicant for a posted job vacancy, who, in the opinion of the Company does not have the required ability and qualifications for the vacancy in question.

(2) **UNEMPLOYMENT INSURANCE PREMIUM REDUCTION**

This letter will confirm our understanding that, should the Company qualify for an Unemployment Insurance Premium reduction according to Section 64.4 of the Unemployment Insurance Act, 1971, the cost of benefit improvements which have been negotiated with the Union, together with any costs associated with an improvement in the Weekly Indemnity Insurance Plan shall be in lieu of any employee entitlement to a premium reduction according to Section 64.4 of the Unemployment Insurance Act, 1971.

Therefore, all such premium reductions will be the sole property of the Company.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #3

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

In accordance with our undertaking during the recent Contract negotiations, we are setting forth below the policy of the Company with respect to an employee who has an accident while he is away from his regular place of work at the Company's request, carrying out work assignments. The following policy is applicable to all U.F.C.W. Local 1000A bargaining unit employees.

Should an employee be involved in an automobile accident while carrying out such duties, he is covered by the Workers' Compensation Board's coverage.

Should an employee suffer any financial loss as a result of an accident while using or operating his own motor vehicle, the Company will reimburse the employee, provided the following conditions are met:

- (1) The Company must have authorized the employee to use his own motor vehicle and to carry out the task.
- (2) The employee must not have been driving negligently.
- (3) The employee cannot otherwise be reasonably indemnified.
- (4) The amount of the financial loss must arise directly and independently of all other causes out of the use or operation of the employee's own vehicle while carrying out the assigned task.
- (5) In the event the Company indemnifies the employee, the Company shall be subjugated to the position of the employee to the extent of the amount paid by the Company to the employee.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

Re: TEMPORARY ASSIGNMENTS

It is understood that employees who are demoted for cause will not be required to be temporarily assigned to the position held prior to the demotion, except in the employee's home store.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #5

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

In accordance with the agreement reached during our recent Contract negotiations, we wish to set out the following understanding, which shall be effective for the lifetime of the Collective Agreement expiring June 28, 2000.

The Company agrees that the non-pricing of items will not be used as a new technique of operation under Article 5(b) of Appendix "C" of the Collective Agreement expiring June 28, 2000.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #6

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

If the Dental Care Insurance Plan provided through the Ontario Retail Employees Dental Trust Fund extends coverage and/or improves coverage afforded by that Plan to cover full-time employees during the lifetime of the Collective Agreement expiring June 28, 2000, the Company will make modifications as necessary to its Dental Expense Insurance Plan set out in Article 10 of Appendix "D" of the Welfare and Insurance Benefits Agreement so that the benefits provided under the Company's Dental Plan are not less comprehensive than the benefits provided under the O.R.E.D.T.F. Plan.

If the Dental Care Insurance Plan provided through the Ontario Retail Employees Dental Trust Fund extends coverage to part-time employees during the lifetime of the Collective Agreement expiring June 28, 2000, the Company will either similarly modify its Dental Expense Insurance Plan or will enter into negotiations with the Union with respect to modifications to the Company's Plan as they relate to extensions of coverage to part-time employees, subject to the grievance and arbitration procedure.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #7

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

In accordance with the agreement reached during our recent contract negotiations, we wish to set out the following understandings which shall be effective for the lifetime of the Collective Agreement expiring June 28, 2000.

When the Company desires to establish work performance standards on any job, it shall provide the Union with all the necessary data and explanations to enable them to understand how such standard has been developed and is to apply.

The Company further agrees to meet quarterly with the Union to review where the Company is going relative to productivity.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #8

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

This letter will confirm the following understanding between the Company and the Union with regard to the terms and conditions for the provision of continuation of benefits for employees who retire from the Company and were covered by the Collective Agreement between the Company and the Union, expiring June 28, 2000.

(1) Employees retiring between the ages of 55 and 64 will have their O.H.I.P., Drug and Dental Expense benefit continued until they attain age 65.

(2) Employees retiring at age 55 or later will have their Semi-private Hospital and Ambulance Expense benefit continued until the death of such retiree.

(3) Employees who retired or who retire prior to January 1st, 1981, at age 55 or later will be covered for the applicable amount of Life Insurance that was in effect at the time of the retirement until the death of such retiree.

(4) Employees retiring subsequent to January 1st, 1981 between the age of 55 and 62 will be covered for Life Insurance of \$20,000.00 which will be reduced as follows:

At age 62	\$17,500.00
After one full year	15,000.00
After two full years	12,000.00
After three full years	9,000.00
After four full years	6,000.00
After five full years	5,000.00

Employees retiring subsequent to January 1st, 1981 at age 62 or after will be provided with Life Insurance of \$17,500.00, which after one (1) full year retirement will be reduced as follows:

After one full year	15,000.00
After two full years	12,000.00
After three full years	9,000.00
After four full years	6,000.00
After five full years	5,000.00

(5) Employees retiring subsequent to July 22, 1990, between the age of 55 and 62 will be covered for Life Insurance of \$40,000.00 which will be reduced as follows:

At age 62	\$35,000.00
After one full year	30,000.00
After two full years	24,000.00
After three full years	18,000.00
After four full years	12,000.00
After five full years	10,000.00

Employees retiring subsequent to July 22, 1990, at age 62 or after will be provided with Life Insurance of \$35,000.00, which after one (1) full year retirement will be reduced as follows:

After one full year	30,000.00
After two full years	24,000.00
After three full years	18,000.00
After four full years	12,000.00
After five full years	10,000.00

No retired employee will be covered for any benefits other than those specifically referred to above.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

In the event Prescription Drug and Life Insurance coverages are provided for Part-time employees in the Ontario Retail Food Industry either through negotiations or in jointly administered Health and Welfare Plans during the lifetime of the Collective Agreement expiring June 28, 2000, the Company will provide similar benefits.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #10

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

In accordance with the agreement reached during our recent contract negotiations, we wish to set out the following understanding which shall be effective for the lifetime of the Collective Agreement expiring June 28, 2000.

When a full-time non-posted job opportunity occurs, such opportunity bulletin shall be posted and shall remain posted for twelve (12) working days on the bulletin board or boards provided on the premises for that purpose, so that interested part-time employees may apply. The Company shall provide the Union with a copy of each opportunity bulletin so posted. All non-posted job opportunity bulletins shall designate the classification of the job vacant and the store location.

In the event full-time employees are interested in transferring to the vacancy, they shall have five (5) working days from the date of such posting in which to do so.

All applications shall be in writing and forwarded to the appropriate District Manager.

The District Manager shall forward a list of all applications to the Union.

The Company shall post on the same bulletin board the name and length of service of the successful applicant.

In the event a full-time employee so transfers, the job opportunities bulletin shall remain posted for the required duration, however, the vacancy will be at the store location from which the full-time employee transferred. The Union and the Company agree to discuss this procedure to mutually determine if a new bulletin should be issued when the resulting vacancy is in a different municipality than that of the original job opportunity.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Mr. Gilbert:

Re: Meat Apprenticeship Programme

This will serve to outline the details of the Meat Apprenticeship programme as agreed to during our recent contract negotiations.

The details of the programme are as follows:

1. 2 years in duration

Branch 1 - 1 year - 18 weeks in school (commences January)
- Junior Cutter (2,000 hours) work and school

Branch 2 - 1 year - 8 weeks in school training
- Cutter (2,000 hours) work and school

Total - 4,000 hours

We propose the following wage progressions:

Year I	- 70%
Year II	- 90%
Year III	- 100%

Employees will be canvassed through an Opportunities Bulletin to determine who is desirous of entering the apprenticeship programme.

The work week would consist of thirty seven (37) hours or thirty seven and one half (37-1/2) hours for Supercentre employees. It would be understood that there would be no reduction in hours in the meat department as a result of implementing the apprenticeship programme.

Part-time employees would be required to work over twenty four (24) hours to cover off for apprentices during the in-school portion of the programme.

Apprentices would have their work and training reviewed by the Training Department, Meat Specialist and Meat Manager to ensure compliance with the apprenticeship curriculum.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #12

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Mr. Gilbert:

The parties have agreed that the Company may lease space within the stores's perimeter to a Bank or Financial Institution to operate a Kiosk. It is further understood the employees working in this Kiosk would be employees of the Bank or Financial Institution.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #13

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Mr. Gilbert:

Re: Floral Apprenticeship

The parties have agreed that if the Company wishes to establish a Floral Apprenticeship Programme along the term of this Agreement that the Union and Company would meet with a view to reaching a mutually agreeable programme.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #14

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Mr. Gilbert:

In accordance with the agreement reached during our Contract negotiations, we wish to set out the following understanding which shall be effective for the lifetime of the Collective Agreement expiring June 28, 2000.

(1) CENTRAL CUTTING

The Company agrees that in the event it is decided to implement a central meat cutting operation, the United Food and Commercial Workers International Union, Local 1000A, will be recognized as bargaining agent. The details of the scope of the Collective Agreement as well as its terms and provisions, including the question of seniority rights, will be negotiated between the parties separately and distinctly from other units represented by the Union.

The Company further agrees that any members of the Union whose jobs are affected as a result of the implementation of a central meat cutting operation will receive first opportunity for employment in the new bargaining unit.

(2) SALES REPRESENTATIVES

(a) The Company agrees to issue to all suppliers a copy of Article 22 of the Collective Agreement, directing them to inform their representatives that performing any work outside the area of agreement will be in violation of the Collective Agreement between the Company and the United Food and Commercial Workers International Union, Local 1000A and will not be tolerated.

(b) The Company further agrees to issue quarterly reminder memoranda to all stores regarding sales representative restrictions. Copies of the above mentioned memorandum will be sent to the Union Office.

(3) CREDIT UNION DEDUCTIONS

The Company agrees to continue to provide to interested full-time and part-time employees a Credit Union Deduction Plan, provided it is understood that such deductions shall be for the sole purpose of deposits into the Credit Union Fund.

(4) PROTECTIVE EQUIPMENT

In the event that the Company is required by Governmental Directive to implement to use of Safety Shoes in its store operations, the Company will pay thirty dollars (\$30.00)(tax included) to each employee in this bargaining unit as a contribution toward the cost of Safety Shoes (one (1) pair per year). Such payment will be made as of August 31st each year that the Governmental Directive is in effect.

In the event it is decided to utilize Safety Equipment other than Safety Shoes, the Company agrees to provide such equipment at no cost to the employee, provided it is used strictly in conjunction with his job.

The Company agrees, where appropriate, to make a distribution of one (1) Freezer Coat per store and to provide at least two (2) Carry-out Coats per store.

(5) STORE MANAGERS

The Company agrees that Store Managers will not perform work in other than their own store, except for the purposes of relieving and giving and receiving training.

(6) LOCKER FACILITIES

The Company agrees that locker facilities will be provided in new stores and refurbished stores in future. The Company further agrees to provide locker facilities, where necessary, in stores that have been refurbished subsequent to the refurbishment of 301 Moore Avenue, Toronto inclusive.

(7) FEMALE ATTIRE

The Company agrees that it will issue its standard female attire policy memo on a regular basis.

(8) REFURBISHING CREW

It is agreed that when the services of Refurbishing Crew employees are required in a

seniority division other than their own, the union will be consulted beforehand and that such transfers shall not be made without the concurrence of the Union.

(9) FRONT-END MANAGERS

Front-end Managers will become members of the bargaining unit and will be covered by the terms and provisions of the Collective Agreement between Loblaws Supermarkets Limited and the United Food and Commercial Workers International Union, Local 1000A that the appointment of Front-end Managers in any store location will continue to be at the discretion of the Company.

(10) SNOWSTORMS

In the event of a major snowstorm, where a full-time employee is unable to attend work as a result of the weather and road conditions, the following policy will apply:

(a) If the employee has not had his day off that week, the day he is absent will be considered, by mutual agreement between the employee and the Manager, to be his regularly scheduled day off that week.

(b) In the event that the employee's regularly scheduled day off is not re-scheduled, the employee will have the option of being paid for the time lost and making up the time with overtime hours at the applicable overtime rates.

(c) Where the employee's day off is not re-scheduled and he does not wish to exercise the option of making up the lost time with overtime hours, he will not receive pay for the time lost.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

This will serve to outline the details of the Bakery Apprenticeship Programme as agreed to during our recent contract negotiations.

The Bakery Apprenticeship Programme shall consist of three (3) branches:

- Branch 1 - Junior Baker (2,000 hours)
 - 1 year duration
 - 15 weeks in school
(commences September)
- Branch 2 - Baker (4,000 hours)
 - 2 year duration
 - 15 weeks in school
(commences January)
- Branch 3 - Patissier
 - 1 year duration (2,000 hours)
 - 30 weeks (1 evening a week)

TOTAL PROGRAMME - 8,000 hours.

The following wage schedule shall apply:

- Year I - 60%
- Year II - 70%
- Year III - 80%
- Year IV - 90%

of the end rate of the baker Classification.

The Work week shall consist of thirty seven (37) hours or thirty seven and one half (37-1/2) hours for Supercentre employees. It is understood that there will be no reduction in hours as a result of implementing the apprenticeship programme. Part-time employees will be required to work over twenty-four (24) hours to cover off for apprentices during the in-school portion of the programme.

Full-time Bakery Department employees will be canvassed through an Opportunity Bulletin to determine who may be interested in becoming a certified baker. Those employees who are interested will be offered the opportunity to write the Baker's certificate exam. Those employees who are unsuccessful and wish to receive upgrading will be offered that opportunity over a period of time. Bakery apprentices will be eligible to apply for bakery job postings. If successful, their rate of pay would be the appropriate percentage of the new position's rate of pay.

Apprentices will have their work and training reviewed by the Training Department, Bakery Specialist and Bakery Manager to ensure compliance with the apprenticeship curriculum.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #16

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

In accordance with the agreement reached during our recent Contract negotiations, we wish to set out the following understanding, which shall be effective for the lifetime of the Collective Agreement expiring June 28, 2000.

The company agrees that any part-time employees selected for a new location shall transfer to any such location with full seniority providing transfer is made prior to store opening.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #17

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

In accordance with the agreement reached during our recent contract negotiations, we wish to set out the following understanding with regards to the subrogation of insurance claims, effective October 16, 1988.

Where an employee is injured and seeks legal remedy from a third party, the Company shall have the right to recover monies paid to the employee by the Company through Weekly Indemnity and/or Long Term Disability payments.

The Company shall request that an employee involved in such a claim sign any documents necessary to facilitate Company recovering such monies paid through Weekly Indemnity and/or Long Term Disability payments.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #18

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

The Company has agreed to extend the option to purchase Life, Property and Car Insurance and Registered Retirement Savings Plan (R.R.S.P.'s) through payroll deductions.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #19

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

In accordance with the agreement reached during our recent Contract negotiations, we wish to set out the following understanding, which shall be effective for the lifetime of the Collective Agreement expiring June 28, 2000.

The Union has agreed to the installation of limited-size Deli Counters, to be operated by the Bakery Departments, in stores where there are no Service Departments.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #20

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

Please find outlined below the agreement reached during negotiations in respect to employees' responsibilities in the event of cash shortages and regarding the "handling of cheques".

Employees in the daily or weekly routine of handling cash registers will not be held liable to reimburse the Company for cash shortages arising out of the operating of a cash register.

Employees will not be held liable to reimburse the Company for any loss incurred as the result of cheque cashing if the customer presents a Loblaws "Family" card which is not on the negative listing or which does not appear as a computerized code and the employee has followed the ground rules of the "Family" card cheque cashing procedure.

Employees will not be held liable to reimburse the Company for any loss incurred as the result of cheque cashing if the cheque bears an authorizing signature or the initials of the Store Manager, Assistant Store Manager, Customer Service Manager or other authorized employee. The Company may only authorize for this purpose an employee other than the Store Manager, Assistant Store Manager and Customer Service Manager if no employee in these classifications is present in the store.

The Assistant Store Manager, Customer Service Manager or other employee who is authorized to approve cheques for cashing will not be held liable to reimburse the Company for any loss incurred as a result of cheque cashing if in so authorizing or cashing the cheque he has followed the "ground rules on the cashing of cheques".

The Company shall inform cashiers individually that they shall not cash cheques unless the customer has a "Family" card which is not on the negative listing or if the customer does not have a "Family" card, the cheques have been properly authorized.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

In accordance with the agreement reached during our recent negotiations, we wish to set out the following understanding:

It is agreed that the following dress code for full-time and part-time male and female employees working during customer shopping hours. The purpose of the Dress Code is to establish and maintain a consistent looking neat and tidy appearance of all staff. Where uniforms are currently provided by the Company, employees are expected to wear such uniforms. In the event the Company wishes to provide a partial or complete uniform to employees who are currently not provided for and/or in the event the Company wishes to change the existing uniforms, the Company and the union will meet to review the proposed new uniforms.

Female Employees

1. Smock

Smocks and aprons, as provided, must be worn during store hours. In areas where extreme soiling could occur, e.g. meat preparation area, bakery, produce preparations, a wrap around apron must be worn.

2. Blouses

Blouses or turtlenecks as provided. They are to be worn at all times under the smock.

3. Sweaters

Should employees require sweaters, they must be a fine white, black, grey or burgundy knit sweater and worn under or over the smock.

4. Slacks/Skirts

Slacks/skirts, as provided, must be worn during store hours. Socks must be worn with slacks and nylons with skirts.

5. Hair

Must be clean and neatly combed and conservatively styled. Long Hair must be controlled with tight styling or tied back. Hair nets, as provided, must totally confine the hair and must be worn in the meat, deli and bakery departments, at all times.

6. Shoes

Solid colour plain flat shoes with closed heels, toes, hard upper and hard soles are required. All shoes should be kept clean and polished. Socks must be worn, at all times. For employees working in areas which are wet and/or slippery they must have shoes which have soles with good gripping capability.

7. Name Badges

Must be visible and worn on the front of the left shoulder, at all times. Times is part of your uniform

8. Sanitation

Caps or hair nets, as provided, must be worn in the meat, deli and bakery departments, at all times.

9. Aprons

Aprons, as provided, must be properly worn by all male employee (excluding store managers).

For all employees replacement uniforms will be given on an exchange basis only. If uniforms are lost the employee must buy a replacement from the Company.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #22

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

In accordance with the agreement reached during our recent contract negotiations, we wish to set out the following understanding, which shall be effective for the lifetime of the Collective Agreement, expiring June 28, 2000.

The Company agrees to the continuation of benefits to the spouse of a retiree until age sixty five (65) and dependents to the maximum age.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #23

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

In accordance with the agreement reached during our recent contract negotiations, we wish to set out the following understanding, which shall be effective for the lifetime of the Collective Agreement, expiring June 28, 2000.

The Company has agreed to a severance allowance covered by Article 2.05(h)(vii) and for purposes of clarity the intent of the parties is outlined herein.

The severance allowance referred to above is to be over and above any monies payable under the terms of the Employment Standards Act of Ontario. Specifically, the provisions of Section 40(a), Part 4(b) shall not set off the severance allowance covered in 2.05(h)(vii) outlined in the Collective Agreement.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #24

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

In accordance with the agreement reached during our Contract negotiations, we wish to set out the following understanding which shall be effective for the lifetime of the Collective Agreement expiring June 28, 2000.

It is agreed that the incumbents to the positions of Decorator, Seafood Manager and Dairy Manager will continue until such time these positions are vacated through attrition.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #25

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

In accordance with the agreement reached during our Contract negotiations, we wish to set out the following understanding which shall be effective for the lifetime of the Collective Agreement expiring June 28, 2000.

The photo technician will be outside of the bargaining unit, all other employees in the Photo Lab will be within the bargaining unit within a separate seniority department. Any full-time photo technician who is currently in the bargaining unit, will remain and their seniority will be with the Grocery Produce seniority department.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #26

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

Notwithstanding the assurance of employment in the Collective Agreement, all full-time employees on the full-time payroll as of the date of ratification, shall be given a personal assurance of employment from the date of ratification through to June 28, 2000.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #27

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

The Company and Union agree that should the Company decide to implement a Home Meal Replacement department the parties will meet with a view to reaching mutually agreeable parameters within which this department will operate.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #28

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

Part time employees who are granted educational leaves will not acquire seniority for the period of their leave and the leave will be for the entire school year. They will only be permitted to work during their leave at the following times: Christmas vacation, March break and Reading week and only such time shall be accredited to their seniority.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #29

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

During the term of this Agreement, some additional replenishment and rotation work may be performed outside of store operating hours. This work will be offered within the appropriate department first. If no one volunteers to perform the work, then the Night Crew will perform the work. All shifts on the Night Crew will be either 7 or 8 hours in duration. As an example, in the Deli department if night shift work is required Monday, Wednesday and Friday .and no one volunteers from the Deli department, then the night crew will perform the work. If someone from the Deli department volunteers for the shift they will be scheduled and will work and may possibly finish working in another seniority department.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #30

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

Once the number of full time employees who have agreed to accept the Voluntary Resignation or Retirement program has been determined, the Company on a one time basis will meet with the Union with a list of stores which are overstaffed in the Bakery and Meat departments. The junior employees in those locations will be offered the bumping procedure as per the store closure language in the Collective Agreement. This would allow individuals to bump the junior most in the municipality and the division. If there is no one junior to be bumped, then the individual will be absorbed in another department within the municipality or division or will be offered the voluntary resignation package. Those employees who are absorbed in another department will maintain recall rights to their former position for a period of eighteen(18) months. They will maintain their union seniority for all purposes under the Collective Agreement. If their rate of pay is greater than the end rate of the department to which they are assigned they will have their wage rate red circled. If they have not reached the end rate, then they shall slot into the new department wage progression. Further, commencing the year following this one time staffing adjustment the Company and the Union shall meet on an annual basis to discuss and resolve with mutual agreement, staffing issues that may have arisen during the previous year.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

LETTER OF UNDERSTANDING #31

December 8, 1996

Mr. Dan Gilbert
President
United Food and Commercial Workers
International Union, Local 1000A,
Suite 204, 61 International Blvd.
Rexdale, Ontario, M9W 6K4

Dear Sir:

In the event that Sunday is legislated to become a regular work day, the parties will meet with a view to amending the Collective Agreement by mutual agreement.

In the event that stores are allowed to legally open on a statutory holiday without premium pay, then the parties will meet with a view to amending the Collective agreement by mutual agreement. Work on these holidays would remain voluntary.

Yours very truly,
LOBLAWS SUPERMARKETS LIMITED,

John Lederer
Executive Vice President
Loblaws/Supercentre

May 30, 1997

Mr. Dan Gilbert
President
United Food and Commercial Workers
Local 1000A
Suite 204
61 International Blvd.
Rexdale, Ontario
M9W 6K4

Dear Sir:

We wish to set out the following understanding which shall be effective for the lifetime of the Collective Agreement, expiring June 28, 2000.

Sixty-five (65) full-time meat department employees will be absorbed in other departments. The number of employees is composed of 45 in Toronto division, 9 in Trenton division and 11 in Ottawa division. This will be done in accordance with a mutually agreed upon procedure.

The Company will consider job opportunities in the analyst position for the affected employees. The employees who are absorbed in another department will maintain recall rights to a meat position for the life of their employment and will be able to apply for job postings within their new seniority department as well as the meat department.

The stores agreed upon as overstaffed as set out in the document dated May 27, 1997 shall be subject to the following:

- The base number of part-time hours as set out in the document dated May 27, 1997 has been determined for each of these stores. Commencing November 1, 1997, if on a per store basis the number of part-time hours used over a 13 week rolling period exceeds the base number on an average of 60 hours per week, a full-time employee who has been absorbed and has recall rights will be offered the opportunity to return to the meat department in that store. The 60 hours excludes 1 for 1 replacements. In the event a pattern is established that circumvents this provision it will be the subject of the grievance and arbitration provisions.
- In the event one of these stores is extensively refurbished or its meat operation is extensively changed the parties will meet to discuss a new base of part-time hours for the store involved. Any changes to the base hours will be made by mutual agreement of the parties.

The Company agrees that in the event a full-time meat department employee's employment is terminated for any reason, a recall will be made to fill the vacancy.

The Company and the Union agree to discuss the full-time department staffing of meat departments in new stores. The full-time staffing of such stores shall first be filled by any excess full-time meat department employees created as a result of store closure(s).

Yours truly,

Roy Conliffe
Sr. Vice President
Labour Relations